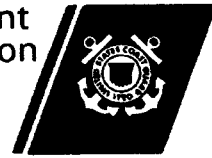
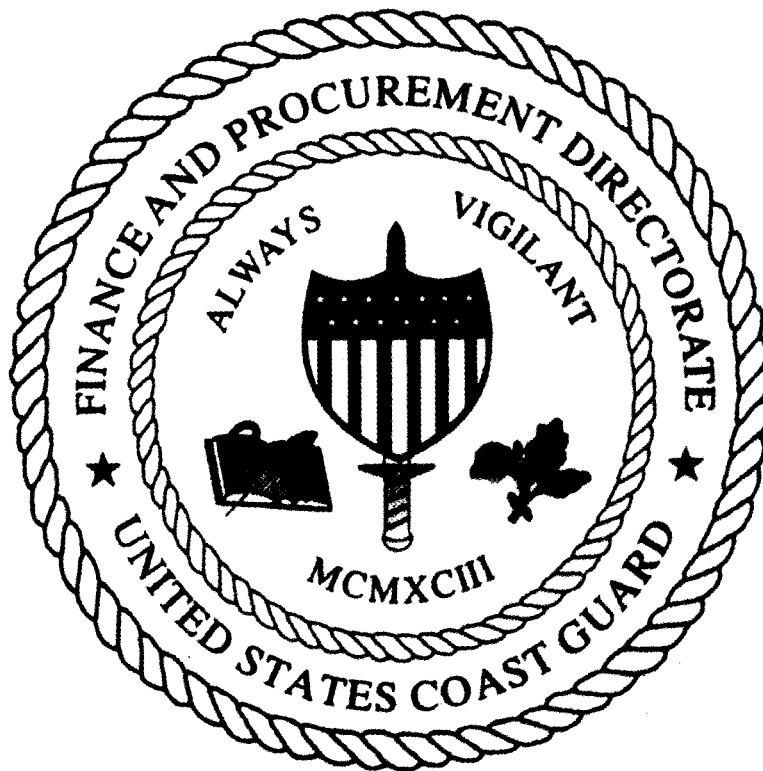


U.S. Department
of Transportation

United States
Coast Guard



SIMPLIFIED ACQUISITION PROCEDURES HANDBOOK



COMDTINST M4200.13F

U.S. Department
of Transportation

United States
Coast Guard



Commandant
United States Coast Guard

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COMDTINST M4200.13F

MAR 22 2002

COMMANDANT INSTRUCTION M4200.13F

Subj: COAST GUARD SIMPLIFIED ACQUISITION PROCEDURES (SAP) HANDBOOK

1. PURPOSE. This Manual implements and supplements the Federal Acquisition Regulation (FAR), the Department of Transportation Acquisition Regulation (TAR), the Department of Transportation Acquisition Manual (TAM), the Coast Guard Acquisition Procedures (CGAP - COMDTINST M4200.19F), and other departmental guidance; and establishes Coast Guard policies, procedures, and guidance for the acquisition of supplies, services, and construction within the simplified acquisition threshold.
2. ACTION. Area and district commanders, commanders of maintenance and logistics commands, commanding officers of Headquarters units, assistant commandants for directorates, Chief Counsel and special staff offices at Headquarters shall ensure compliance with the provision of this Manual.
3. DIRECTIVES AFFECTED. Simplified Acquisition Procedures Handbook, COMDTINST M4200.13E, is cancelled.
4. SUMMARY OF CHANGES. Significant changes to this manual include: adding procedures for procuring services from General Services Administration, adding affirmative statement on the requirement to use GPO for printing needs, updated discussion on using Prime Vendor contracts, deleting discussion on FedSelect and including procedures for using Convenience Checks, explaining phase-out of the SF-44, adding new payments procedures for Blanket Purchase Agreements (BPA's), updating new procedures for publicizing contract actions, revising the list of EPA designated recycled items, and updating new ratification procedures. Additionally, previous versions of Chapter 10 of this Handbook contained information from Chapter 5 of the Financial Resource Management Manual (FRMM), COMDTINST M7100.3 (series). Chapter 5 information from the FRMM was included in the SAP Handbook since the FRMM does not have as wide a distribution as the SAP Handbook. Currently,

DISTRIBUTION - SDL No.

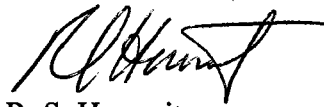
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COMDTINST M4200.13F

the FRMM is being updated to include new and revised guidance in Chapter 5. As a result, all FRMM guidance/information has been removed from Chapter 10 of this Handbook. Upon completion of the FRMM revision, the electronic version of Chapter 10 of the SAP Handbook will contain a link to Chapter 5 of the FRMM. This approach both enables SAP Handbook publishing to move forward, as well as provides SAP Handbook users with the most current and accurate information available.

5. FORMS AVAILABILITY. A “Forms List” of the latest version of all forms discussed herein is included in the Handbook after the Table of Contents, on page ix.



R. S. Horowitz
Director of Finance and Procurement

Changes

Suggested changes to COMDTINST 4200.13F may be submitted in writing to the following address:

United States Coast Guard
Attn: SAP Handbook Change
G-CPM-1
2100 2nd Street, SW
Washington, D.C. 20593-0001

Changes will be collected for future promulgation.

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Forms List

The following forms are available on the Coast Guard's JetForm Filler.

<u>Form Number</u>	<u>Form Title</u>
<i>Standard Forms</i>	
SF-18	Request for Quotation
SF-30	Amendment of Solicitation/Modification of Contract
SF-98	Notice of Intention to Make A Service Contract And Response to Notice
SF-98a	Notice of Intention to Make A Service Contract and Response to Notice (Attachment A)
SF-182	Request, Authorization, Agreement, and Certification of Training
SF-281	Federal Procurement Data System (FPDS) Summary Contract Action Report (\$25,000 or Less)
SF-1165	Receipt For Cash – Subvoucher
SF-1442	Solicitation, Offer, and Award
SF-1449	Solicitation/Contract/Order for Commercial Items

Coast Guard Forms

CG-5623	IMPAC Order Log
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Department of Transportation (DOT) Forms

DOT-4200.1.2	Procurement Request, Process Rapidly
DOT-4230.1	Simplified Acquisition

Optional Forms

OF-347	Order for Supplies and Services
OF-348	Order for Supplies and Services – Continuation

Department of Defense Forms

DD-1149	Requisition and Invoice/Shipping Document
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Other Forms

The SF-44 is available locally, or on the Acquisition Reform Network (ARNET) at <http://www.arnet.gov>, click on 'Virtual Library', click on 'Forms'.

Definitions and Acronyms

A-76 A program, which looks at the most efficient way to conduct the Government's business (Government vs. private) and many times results in, services being contracted out to commercial companies.

Acceptance Two uses in acquisition:

- When required by the Contracting Officer, acceptance of a purchase order, in writing, by a contractor. Acceptance can also be made by a contractor's performance (i.e., shipment/delivery, or initiating action to fulfill the Government's requirement).
- An acknowledgment that deliverables conform to the terms of the purchase/delivery order.

Accounting Certification Officer (ACO) As referred to on the DOT Form 4200.1.2, Procurement Request is the person who has the authority to approve and certify that funds for a given purchase are available. This (ACO) is not to be confused with Authorized Certifying Officer and Authorized Certifying Official.

Acquisition The process of obtaining supplies or services either by open market or government instruments that is eligible for property, RCRA, HAZMAT, etc. reviews.

Affirmative Procurement for Recovered Materials Program Program for ensuring procurement of recycled material. See FAR 23.405.

Agency-Program Coordinator (APC) The person who interacts with Bankcard Contractor at various levels to manage the Governmentwide P-Card program

Amendment A change to a solicitation (either a Request for Quotations or an Invitation for Bids) usually issued on a SF-30.

Approving Official P-Card: A person authorized to review and approve purchase card statements.

Basic Ordering Agreement (BOA) An agreement that is similar to a Blanket Purchase Agreement (BPA), issued by a Contracting Officer with appropriate procurement authority. See FAR 16.703(a).

Best Value The expected outcome of an acquisition that, in the Government's estimation, provides the greatest overall benefit in response to the requirement considering both price and technical capability.

Definitions and Acronyms

Bilateral	A document signed by both the Contracting Officer and the Contractor.
Blanket Purchase Agreement (BPA)	An agreement that allows authorized callers to purchase supplies/services by placing calls against the agreement.
Buy American Act	The Buy American Act requires that only domestic end products be acquired for public use. (For exceptions see FAR Subpart 25.1)
Cancellation	The act of withdrawing an offer on a purchase order prior to acceptance by the contractor.
Cardholder	The person whose name is embossed on a P-Card.
Change Order	A written order signed by the contracting officer, directing the contractor to make changes authorized by the Changes clause.
Chief of the Contracting Office (COCO)	The person designated by the Head of the Contracting Activity (HCA) who has the responsibility for oversight of all procurement actions within an assigned area of responsibility.
CIS	Contract Information System
Clause	A term or condition used in contracts or in both contracts and solicitations, and applying after contract award or both before and after award.
Coast Guard Acquisition Procedures (CGAP)	COMDTINST M4200.19 (series). The CG supplement to the Transportation Acquisition Regulation (TAR) and Transportation Acquisition Manual (TAM).
Commerce Business Daily (CBD)	A Department of Commerce publication that lists Government solicitations and contract awards of \$25,000 or more. Effective October 1, 2001, all notices/solicitations must be transmitted to the GPE.
Commercial Item	Any item, other than real property, that is of a type customarily used for non-governmental purposes. (See FAR 2.101 definition for specific defining criteria and FAR Part 12 for additional information).
Commitment of Funds	An administrative reservation of funds.

Definitions and Acronyms

Competition	The process of obtaining quotes for the purpose of determining price reasonableness.
Confirmation Order	A written order validating a verbal order.
Construction Contract	A procurement for construction, alteration, or repair of real property.
Contract	A legally binding relationship, obligating the seller to furnish the supplies/services and the buyer to pay for them.
C-Check	Convenience Check
COWP	Contracting Officers Warrant Program (COMDTINST M4200.19 (series) – Enclosure 24 to CGAP).
Contracting Officer's Technical Representative (COTR/COR)	The person designated in writing by the Contracting Officer to oversee the technical performance of a contract.
Convenience Checks	Checks issued by P-Card bank to Coast Guard cardholders for use as a procurement vehicle. Also called C-Check.
Customer Supply Center (CSC)	GSA express service center providing housekeeping and office supplies.
D&F	Determination and Findings
Davis-Bacon Act (DBA)	Legislation that requires that laborers and mechanics on Government construction contracts be paid wages and benefits as determined by the Department of Labor.
Delivery Order	An order for supplies placed against an established Government contract.
DESC	Defense Energy Support Center, formerly Defense Fuel Supply Center (DFSC).
Discount	A price reduction offered by a vendor, other than a prompt payment discount.
DLA	Defense Logistics Agency

Definitions and Acronyms

DOL	Department of Labor
Delegation of Procurement Authority (DPA)	The document that grants procurement authority to P-Card holder.
DPSC	Defense Personnel Support Center
DRMO	Defense Reutilization and Marketing Office
EPA	Environmental Protection Agency
FEDBIZOPS/ EPS/GPE	Federal Business Opportunities, Electronic Posting Systems, Government-wide Point of Entry
Excess Property	Property that is available for reutilization.
Federal Acquisition Regulation (FAR)	The procurement regulations utilized by the federal Government for all acquisitions.
FINCEN	Finance Center. The centralized paying office for Coast Guard acquisitions, located in Chesapeake, Virginia.
FOB	Free on board. The point to determine the responsibility and basis for payment of freight charges; and unless otherwise agreed, the point at which title for goods passes to the buyer or consignee. <ul style="list-style-type: none">• Origin: Purchaser or consignee pay freight charges and bear risk of loss unless the contract states otherwise.• Destination: Seller or consignor pay freight charges and bear risk of loss unless the contract states otherwise.
FSC	Federal Supply Class
FSS	Federal Supply Schedule or Federal Supply System
Funds Certification Official	Same as Accounting Certification Officer
GAO	General Accounting Office. An arm of congress whose primary function is to ensure that public funds are legally expended.
General Services Administration (GSA)	A Government agency that buys commonly used supplies and services for all Government agencies. The GSA establishes FSS contracts for use by all Government agencies.

Definitions and Acronyms

Hazardous Materials (HAZMAT)	Material, which has been determined to be capable of posing an unusually high risk to health, safety and property.
Head of Contracting Activity (HCA)	The individual responsible for overseeing the agencies procurement program. The HCA for the Coast Guard is the Director of Finance and Procurement, (G-CFP).
Husbanding Agent Contracts	Contracts for standard port services for military ships visiting various foreign ports of call.
IAW	In accordance with
ICP	Inventory control point
Imprest Funds	A cash fund established to make immediate payments.
Independent Government Estimate (IGE)	The requisitioner's projected calculation of the cost of the item to be procured.
Industrial Products Center (IPC)	GSA express service center providing industrial supplies.
Information Technology (IT)	Any equipment, or interconnected system(s) or subsystem(s) of equipment, that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the agency. Formerly, Automatic Data Processing (ADP), Automatic Data Processing Equipment (ADPE), and Federal Information Processing (FIP). Includes computers and all related equipment, software, firmware, services, and resources. Excludes imbedded IT if the equipment's primary purpose is other than IT.
Interagency Acquisition	An agreement to obtain or provided supplies or services between agencies (e.g., MIPR, Inter-Service Support Agreement (ISSA)).
International Federal Supply Schedule (IFSS)	A Federal Supply Schedule used by overseas units.
Intra-agency Acquisition	Same as Interagency Acquisition except the agencies are in the same department.

Definitions and Acronyms

Inspection	The act of ensuring that the supplies or services meet contract specifications.
JOTFOC	Justification for other than full and open competition. The written determination to restrict competition.
JWOD	Javits-Wagner O'Day – The act that created the commission for National Industries for the Blind (NIB) and National Industries for the severely Handicapped (NISH).
KO	See Contracting Officer.
MAS	Multiple award schedule under FSS.
Memorandum of Agreement/ Understanding (MOA)/(MOU)	Programmatic agreements (i.e. MOA, MOU) between Government entities, which may sometimes be established by MIPR. The KO should sign any MOA or MOU that is established by a MIPR or ISSA.
MCC	Merchant Category Code
Micro-Purchase	The acquisition of supplies/services for \$2,500 or less
Military Interdepartmental Purchase Request (MIPR)	A financing document for Interagency Acquisitions, usually under authority of the Economy Act. (See FAR Subpart 17.5).
MLC	Maintenance and Logistics Command
Modification	Any written change in the terms of a contract authorized by the KO.
Multiple Award Schedule (MAS)	A federal supply schedule awarded to more than one vendor.
NAICS	North Atlantic Industrial Classification System (replaced Standard Industrial Classification Code (SIC)).
National Industries for the Blind	NIB-Central non-profit agency designated to represent people who are blind.
(NIB)/National Industries for Severely Handicapped (NISH) (Disabled)	NISH – Central non-profit agency designated to represent Javis-Wagner-O'Day participating non-profit agencies serving people with severe disabilities other than blindness.

Definitions and Acronyms

Non-warranted Cardholder	An individual authorized to purchase supplies or services using the P-Card.
Not to Exceed Order (NTE)	See Unpriced Purchase Order (UPO).
Obligation of Funds	Act of awarding a funded contract or modification.
OGA	Other Government Agency.
Option	A unilateral right in a contract whereby Government may elect to purchase additional quantities or services.
Ordering Officer	An individual authorized to place orders.
P-Card	Governmentwide Commercial Purchase Card.
Personal Property	All tangible property including art work, models and artifacts, with the exception of real property and records of the Federal Government.
Pollution Prevention Coordinator (PPC)	An individual authorized to approve Statement of Essential Need (SEN) for hazardous material.
Price Reasonableness	A determination as to whether the price is fair and reasonable following appropriate price analysis.
Prime Vendor Contract	A contract for procurement of supplies within a designated geographic area.
Prompt Payment	A price reduction offered by a vendor for payment of supplies within a specified time.
Purchasing Agent	A person who awards and/or administers simplified acquisitions.
Quote	A price from a vendor.
Ratification	The act of approving an unauthorized commitment by an official who has the authority to do so. See FAR 1.602-3.

Definitions and Acronyms

Real Property	Land and rights in land, ground improvements, utility distribution systems, and buildings and other structures. The term does not include foundations and other work necessary for installing special tooling, special test equipment, or plant equipment.
Receiving Report	Written or electronic instrument indicating that supplies/services have been received, inspected and accepted and that payment is proper.
Red Book	A nickname for the General Accounting Office publication titled <u>Principles of Federal Appropriations Law</u> , which covers a myriad of topics including proper use of appropriated funds.
Requisitioner	One who requires something to be furnished and initiates the procurement request.
Restricted	Refers to restrictions on who can compete for Government acquisitions. Generally, it refers to small business set-asides.
Resource Conservation and Recovery Act (RCRA)	The statutory basis for the recovered materials program.
Reverse Auctioneering	The automated process whereby vendors bid on-line for Government requirements.
SAP	Simplified Acquisition Procedures
SAS	Single Award Schedule under FSS
SAT	Simplified Acquisition Threshold
SEN	Statement of Essential Need
Service Contract	A contract to perform an identifiable task rather than to furnish an end item of supply (e.g. mess service, etc.).
Service Contract Act (SCA)	Legislation that requires service employees, on Government service contracts, are paid wages and benefits as determined by the Department of Labor.
Service Maintenance Agreement (SMA)	A procurement for recurring services (i.e. copier maintenance, cellular phone, laundry service etc.).

Definitions and Acronyms

Single Award Schedule (SAS)	A federal supply schedule awarded to one vendor.
Small Business Specialist	Individuals appointed to facilitate agency efforts to improve opportunities for small business concerns to obtain a fair portion of Government contracts.
Small Disadvantaged Business	A small business concern that is at least 51% unconditionally owned by one or more individuals who are both socially and economically disadvantaged, and have its management and daily business controlled by one or more such individuals.
Sole Source Justification	A determination of only one responsible source under FAR 6.301-2; the most frequently used justification for other than full and open competition.
Solicitation Provision	A term or condition used only in solicitations and applying only before a contract is award.
Special Item Numbers (SIN)	Numbers assigned to individual items listed on Multiple Award Schedules.
Specification	Description of requirement (s) to satisfy minimum needs.
Statement of Account (SOA)	Monthly P-Card reconciliation statement.
Statement of Work (SOW)	Details the requirement in a performance-based contract. (i.e., we tell the contractor what to do, not how to do it). Typically used for service contract.
Supply Contract	The procurement of an identifiable end item.
Taxpayer Identification Number (TIN)	The number used to identify vendors with the IRS.
Transportation Acquisition Manual (TAM)	The Department of Transportation acquisition policies and procedures.
Transportation Acquisition Regulation (TAR)	The Department of Transportation supplement to the FAR.

Definitions and Acronyms

Unauthorized Commitment	An order placed by an individual without designated or adequate procurement authority.
UNICOR (FPI)	The trade name of Federal Prison Industries, Inc., which provides supplies and services from federal prison rehabilitation programs.
Unilateral	Where action or obligation is taken by, or imposed on, only one party; most commonly refers to documents signed only by the KO.
Un-priced Purchase Order (UPO)	Order for supplies or services, the price of which is not established at the time of issuance of the order. Also known as Not-to-Exceed purchase orders.
Unrestricted	An acquisition that is unrestricted is open for any eligible concern to submit a quote/bid on.
VA	Department of Veterans Affairs
Wage Determination	A Department of Labor determination of minimum wages to be paid on a specific service or construction contract.
Walsh-Healey Public Contracts Act	Law that protects and requires minimum wage payments to workers in the manufacturing industry, for federal contracts over \$10,000.
Warranted Cardholder	An individual who holds a P-Card and a contracting warrant.
Wholesale Supply Sources	The wholesale sources of the Federal Government (e.g. GSA supply centers, VA, DLA, etc.).
8(a)	A section of the Small Business Act (15 U.S.C. 637(a)) that gives preference to the use of Small and Disadvantaged Businesses that are certified by the Small Business Administration, through a special contracting program.

Simplified Acquisition Procedures Overview

Introduction Prior to the award of any procurement, certain regulatory requirements must be complied with, as prescribed in FAR Part 13.

Definition SAP is the preferred method for the acquisition of supplies, services and construction within the SAT.

Application SAPs were developed to:

- Reduce administrative costs.
- Improve opportunities for small, small disadvantaged, and women-owned small business concerns to obtain a fair proportion of Government contracts.
- Promote efficiency and economy in contracting.
- Avoid unnecessary burdens for agencies and contractors.

Guiding Principles As stated in FAR 13.103, SAPs shall be used to the maximum extent practicable for all purchases of supplies or services not exceeding the SAT, unless requirements can be met by using required sources of supply under FAR Part 8. (See order of preference for these sources under Supplies on page 3-1).

Acquisition Planning Acquisition planning identifies the agencies needs in the most effective, economical and timely manner. Key personnel must establish reasonable milestones, such as, type, quantity, quality, performance, and delivery schedule.

A Procurement Forecast is not required for simplified acquisitions under \$100,000.

Acquisition Teams All participants in Government acquisitions, including representatives of the technical, supply, legal, and procurement communities.

Type of Acquisition For purchases not exceeding \$2,500, one quote is acceptable if deemed reasonably priced. Such purchases must be equally distributed among qualified suppliers, which means acquisitions under \$2,500 should be rotated among vendors so as not to show favoritism to any one vendor. For purchases in excess of \$2,500, the Contracting Officer shall solicit quotations from a reasonable contracting number of qualified sources to insure that the purchase

Simplified Acquisition Procedures

Overview

Type of Acquisition (continued)	is in the best interest of the Government, price and other factors considered, including the administrative cost of the purchase.
Small Business Size Standards	<p>As stated in the FAR 19.102, the Small Business Administration establishes small business size standards on an industry-by-industry basis.</p> <p>Until October 1, 2000, small business standards were classified by a four-digit code called a SIC Code. The NAICS replaced SIC codes after that date. The website for NAICS is :</p> <p>http://www.census.gov, under “Business”, click on NAICS.</p>
Small Business Set Asides	As stated in FAR 13.105 each acquisition of supplies or services with an anticipated dollar value exceeding \$2,500, and not exceeding \$100,000, is reserved exclusively for small business concerns and shall be set-aside in accordance with FAR Part 19.5.
Requisition (Procurement Request)	<p>The funding document that provides the KO with the authority to begin the acquisition process. In order for the requisition to be valid it must be numbered properly, contain appropriation and accounting data, and a valid signature.</p> <p>The requisition must provide the following data with the funding document:</p> <ul style="list-style-type: none">• Government Estimate.• Statement of Work.• Specifications & Drawings.
Soliciting Quotes	<p>KOs shall seek competition whenever practicable.</p> <p>For procurements in excess of \$2,500, the KO shall solicit quotations from a reasonable number of qualified sources to insure that the purchase is in the best interest of the Government, price and other factors considered, including the administrative cost of the purchase. Whenever practicable, quotes should be solicited orally. The KO shall establish and maintain documentation of oral quotes to determine the best value for the Government. Soliciting for quotes</p>

Simplified Acquisition Procedures Overview

Soliciting Quotes (continued)

can also be posted electronically to FedBizOpps, as follows:

<http://www.fedbizops.gov>

Construction over \$2,000

Written quotes shall be obtained for construction contracts over \$2,000 because of the requirements of the Davis Bacon Act. Wage rates as well as several specific clauses are required to be included in solicitations and orders. The wages are based on the prevailing wages in the geographic area in which the work is to be performed.

Services over \$2,500

Written quotes are also required for services over \$2,500. Under the SCA, all procurements over \$2,500 must include SCA wage rates. This act also requires minimum wages to be paid in all service contracts over \$2,500. Also, wages no less than the minimum under the Fair Labor Standards Act must be paid in all service contracts over \$2,500.

Publicizing Contract Actions

FEDBIZOPPS is the electronic GPE (Government Point of Entry) for public notification (as required by FAR 5.101) by which Government agencies advertise proposed contract actions and contract awards. Contract actions expected to exceed \$25,000 must be formally advertised by synopsis in FEDBIZOPPS. Contract actions expected to exceed \$10,000, but not expected to exceed \$25,000 must be displayed in a public place.

Evaluation

Evaluation is used to determine the best value for the Government using price or price related factors, for example, quality, delivery and past performance.

The KO's determination of price reasonableness should be based on competitive quotations. If only one quote is received, the KO must include in the file a determination of price reasonability.

The fair and reasonable price determination may be based on the following: market research, comparison to current price, comparison to previous purchases, catalogs, advertisements, similar items in related industry, value analysis, KO's personal knowledge of the items being purchased, comparison to an IGE, or any other reasonable basis.

Simplified Acquisition Procedures

Overview

Award A binding contract is formed when the vendor accepts an offer. The KO issues an OF-347 or SF-1449 (commercial items), the vendor indicates acceptance of an order by notice to the Government, in writing, or by furnishing the supplies or services ordered, or proceeding with the work.

Sources of Supply and Services

Introduction

All procurement actions, regardless of dollar value, shall use the following sources of supply in the order they are listed.

Supplies

1. Agency Inventory
2. Excess From Other Agencies (e.g., DRMO)
3. Federal Prison Industries, Inc. (UNICOR)
4. Products available from NIB-NISH and JWOD
5. Wholesale supply sources such as GSA stock program, the DLA, VA, and military ICPs
6. Mandatory federal supply schedules
7. Open market Commercial Suppliers (including educational and nonprofit institutions). This includes optional federal supply schedules, which should be the first resource whenever they adequately cover the requirements.

Services

1. Services available from NIB-NISH
2. Mandatory federal supply schedules
3. Optional Use federal supply schedules
4. FPI (UNICOR)
5. Open market Commercial Services

Factors to Consider

Does the item meet the minimum government need?

This is a basic measurement to determine if a required source must be used. In determining if the item meets the governments need, factors such as, end-function, delivery date, quantity, shipping point, and cost must be considered. If a required source does not meet the Government's needs, a waiver is required. Exceptions and waivers for each of the required sources are discussed in their corresponding sections.

Sources of Supply and Services

Agency Inventory

Agency Inventory refers to stock items maintained by various Coast Guard ICPs, such as the Engineering Logistics Center (ELC) in Baltimore, MD, and Aircraft Repair and Supply Center (AR&SC) in Elizabeth City, NC.

The Supply Policy and Procedures Manual (SPPM), COMDTINST M4400.19 (series) lists other inventory points, and contains management policy and procedures. The SPPM can be accessed online at: <http://cgweb.uscg.mil/g-s/g-slp/index.htm>

Excess Personal Property

There are several sources of excess property that **must** be considered to satisfy the government's needs:

- Unit's excess property,
- Coast Guard-wide property, and
- OGA excess property (e.g., DRMO, GSA)

When a federal agency determines that property under its control is excess and reports it to GSA, that agency is relinquishing of the property to GSA. As the manager of the federal excess property system, GSA oversees that the needs of the federal government for excess property are first met before use or distribution of excess property to nonfederal beneficiaries. GSA receives, screens, distributes, and disposes of excess property through its regional distribution centers. These centers publish catalogs and bulletins that list their inventory.

The primary sources for excess property used by the Coast Guard are DRMO and GSA. The Property Management Manual, COMDTINST M4500.5 (series) provides policy and procedures in procuring excess property from Coast Guard, DRMO, and GSA sources.

To obtain Excess Property Lists:

- For DRMO Regional Offices: Refer to Enclosure 48 of the Property Management Manual, COMDTINST M4500.5 (series) for instructions on obtaining property from DRMO. Online information is available at: <http://www.drms.dla.mil>

Sources of Supply and Services

Excess Personal Property (continued)

- For GSA Area Utilization Offices: These offices are contained in the GSA Customer Assistance Guide. This guide may be obtained by calling:

GSA Centralized Mailing List Service: (817) 334-5215 or
Fax: (817) 334-5227

The mailing list code for this pub is OSSC-0003

For Coast Guard Excess property lists, contact:

Commanding Officer
USCG Engineering Logistics Center
Communications Equipment Branch
2401 Hawkins Point Rd.
Baltimore, MD 21226-5000

Or <http://cgweb.elcbalt.uscg.mil>

UNICOR (Federal Prison Industries Inc.)

UNICOR is the trade name for FPI, Inc. It is a self-supporting, wholly owned government corporation of the District of Columbia. It provides training and employment for prisoners in federal correctional institutions. FAR 8.6 governs all purchases from UNICOR, which provides a wide range of products and services that are listed in its Full Line Catalog. The catalog can be obtained from:

UNICOR's Customer Service and Marketing Production
320 First 320 First Street NW
Washington, D.C. 20534
(800) 827-3168

The on-line address is : <http://www.unicor.gov>

UNICOR also has a QuickShip Catalog, available both online and in paper form. QuickShip items are guaranteed to be shipped within 30 days of receipt of order. If it takes more than 30 days, UNICOR will deduct 10% from the order price.

Waivers: FAR 8.605 requires a UNICOR clearance (waiver) to be obtained before acquiring supplies from other sources. A clearance request must include:

Sources of Supply and Services

UNICOR (Federal Prison Industries Inc.) (continued)

- KO's Name and Address.
- Phone and Fax numbers.
- Description of the items, including UNICOR part number, or national stock number (NSN).
- Justification as to why UNICOR products do not meet the agency's basic needs.
- Number and estimated price for each item; and
- Realistic required delivery date.

NOTE: As stated in FAR 8.605, purchases from other sources because of a lower price will not normally be authorized.

Send waiver request to:

UNICOR Customer Service Center
PO Box 13640
Lexington, KY 40583-3640

or Fax to (606) 254-9692
or electronically <http://www.unicor.gov/>.

UNICOR generally processes waiver requests within 2-3 days. For planning purposes, UNICOR advises that as many as 5 to 7 days may be required. The Contracting Officer's waiver request and clearance from UNICOR shall be included in the purchase file.

Authorized Exceptions: When one of the following situations exists, clearance is not required to order from other than UNICOR:

- Public exigency (Urgency) requires immediate delivery or performance. (*This means some unanticipated and un-anticipatable event*).
- Suitable used or excess supplies are available.
- Purchases are made from GSA of less-than-carload lots of common use items stocked by GSA
- The supplies are acquired and used outside the United States.
- Orders are for listed items totaling \$25 or less that require delivery within 10 days.

Sources of Supply and Services

UNICOR (Federal Prison Industries Inc.) (continued)

NOTE: For the 'Public Exigency' exception, the requisitioner must provide an impact statement showing the effect of not obtaining the supplies immediately. This statement must be included with the purchase document.

Committee for Purchase from People who are Blind or Severely Disabled

Federal agencies and activities are required by Javits-Wagner O'Day Act (JWOD) to purchase their requirements for selected supplies and services from nonprofit agencies for people who are blind or severely disabled (FAR 8.7). The two central nonprofit agencies under JWOD are:

National Industries for the Blind (NIB)
1901 N. Beauregard Street, Suite 200
Alexandria, VA 22311-1727
Voice Number: (703)998-0770
Internet: <http://www.nib.org>

National Industries for the Severely Handicapped
2235 Cedar Lane
Vienna, VA 22182-5200
Voice Number: (703) 560-6800
Internet: <http://www.nish.org>

JWOD (Javits-Wagner-O'Day Act)

The Committee for Purchase from People who are Blind or Severely Disabled administers the JWOD program. The agency is located at:

1421 Jefferson Davis Highway
JP#2, Suite 10800
Arlington, VA 22202-3259
Voice Number: (703) 603-7740
Fax: (703) 603-0655

How to order JWOD Supplies and Services

GSA Customer Service Centers (CSC):

JWOD supplies can be ordered from GSA CSC by telephone or facsimile (fax) with a P-Card or an activity address code (AAC) plus a GSA-selected access code. Orders are shipped within 24 hours and usually arrive in two to five days. For more information on ordering procedures, call the GSA National Help Line at (800) 488-3111.

Sources of Supply and Services

How to order JWOD Supplies and Services (continued)

GSA Advantage!

GSA Advantage! lists all GSA wholesale stock items, including JWOD supplies. See GSA Advantage! section later in this chapter.

Commercial Vendors - Office Supplies:

In addition to GSA stock program, some vendors are listed under GSA schedule 75 III A. Orders can be placed by telephone, facsimile, electronic data interchange, or walk-in. Use of the P-Card is preferred, but other methods are also acceptable.

Wholesale Supply Sources/National Supply System

The National Supply System is created and designed to eliminate duplication of acquisition and supply functions between GSA and other federal agencies. Its objective is to develop a single, integrated, government-wide system for the acquisition and supply of common-use, commercially available items used by agencies of the federal government. GSA is the designated manager of the National Supply System.

Wholesale supply source is an umbrella term identifying the various government managed supply systems such GSA, DLA, VA and military ICPs. Items are obtained utilizing various requisition methods (i.e. STAR, DD-1149, MILSTRIP, CSC/IPC). Requisition procedures are governed by the Supply Policy and Procedures Manual, COMDTINST M4400.19 (series).

GSA

GSA's Office of Federal Supply Service is the primary source of personal property, non-personal services, and numerous common-use materials and supplies. The following methods may be used to order items from GSA.

GSA CSC/IPC

Supplies can be ordered from GSA CSC/IPC's by telephone with a P-Card or by telephone or facsimile with an activity address code (AAC) plus a GSA-selected access code. Orders are shipped within 24 hours and usually arrive in two to five days. For more information on ordering procedures, call the GSA National Help Line at (800) 488-3111.

Sources of Supply and Services

GSA Advantage SERVICES

The FAR does not provide guidance on ordering services from GSA Advantage. The procedures for ordering services on GSA Advantage differ greatly from those for ordering supplies. Instructions for ordering services on GSA Advantage are found at: <http://www.fss.gsa.gov/schedules/ordinssv.cfm>. Purchasing Agents are cautioned to **read the website instructions thoroughly** when purchasing services from GSA Advantage!

The following outlines the primary requirements for ordering services from GSA Advantage!

Purchasing Agents **shall**:

Ensure that they have a written performance-based SOW that specifies the following (minimum) requirements:

- The work to be performed
- The location of the work to be performed
- The period of performance
- The delivery schedule
- Any applicable standards
- Acceptance criteria
- Any special requirements, for example;
 - Security clearances
 - Travel
 - Special knowledge.

Issue a written Request for Quote that incorporates the SOW, and which notifies prospective vendors of the following:

- Order type contemplated (e.g. fixed price, cost type, T&M);
- Requirements for submission of project plans (if applicable),
- Basis for award (e.g. experience, past performance, technical qualifications).

For competitive quotes, i.e. requirements over \$2,500, three quotes should be solicited, and award should be made on a “best value” basis in accordance with established evaluation criteria.

Sources of Supply and Services

GSA Advantage (continued)

NOTE: P-Card account holders **shall** thoroughly read the instructions contained in the website prior to placing orders for services on GSA Advantage! P-Card account holders **shall not** make purchases above the amount of their delegated procurement authority.

SUPPLIES

Steps to ensure a “Best Value” determination is made, as required by FAR 8.404:

- Review three (3) schedule price lists.
- Select the Best Value, considering price and other factors such as:
 - (1) Special features,
 - (2) Trade-in considerations,
 - (3) Probable life of the item selected as compared to that of a comparable item,
 - (4) Warranty considerations,
 - (5) Maintenance availability,
 - (6) Past performance,
 - (7) Environmental and energy efficiency considerations.
- Seek price reductions from the schedule contractor appearing to provide the ‘best value’.
- After price reductions have been sought, place order directly with the contractor who provides best value and results in the lowest overall cost alternative.

Document the procurement file with the results from performing the above-described steps.

GENERAL ORDERING INFORMATION

An on-line ordering system is available through the Internet at <http://www.gsaadvantage.gov>. GSA Advantage! lists all GSA wholesale stock items, including JWOD supplies. To place an order, you must be a valid P-Card holder or have an established GSA assigned account number and password.

Note: Competition is not required on micro-purchases.

Sources of Supply and Services

GSA Advantage (continued)

To establish a GSA account, call or write:

GSA Federal Supply Service
Supply Management Division - FCSI
Washington, DC 20406
(703) 305-7977

GSA also accepts milstrip orders.

GSA Stock Program

The GSA supply catalog is a mandatory source of supply. If an item is not available from higher priority sources, it must be ordered from the catalog unless an exception applies. The GSA supply catalog lists over 14,000 products. It also contains requisitioning instructions, location of CSC/ICP's and product return instructions. The catalog may be ordered from the following sources:

General Services Administration
Centralized Mailing List Service
PO Box 6477
Ft Worth, TX 76115

Phone: (817)334-5215
Fax: (817)334-5227

or MILSTRIP requisition using NSN 7610-01-283-3770,

or through the Internet

<http://www.fss.gsa.gov>, click on Customer Supply Center, click on Order a Catalog.

Catalog items may also be ordered using GSA Advantage!

Exceptions from the GSA Supply Catalog

Exceptions from using the GSA Supply Catalog are as follows:

- The same item is available from a FSS at a lower cost.
- Public exigency prevents the use of the catalog. In this case, the acquisition file must be documented to show the urgent need, and the nature of exigency.

The value of a line item is less than \$100. GSA will fill orders for less than \$100 per line item, but such orders are at the option of the ordering office.

Sources of Supply and Services

Exceptions from the GSA Supply Catalog (continued)

Exception: If the value of the line item is \$100 or more, but less than \$5,000, the item may be purchased from other sources. A written justification shall be prepared and placed in the purchase file. The justification must show that the purchase is in the best interest of the government, and the combination of quality, timeliness, and cost factors have been considered. The cost factor must include administrative cost (\$50 per purchase) to effect a local purchase.

Waivers

Similar Items: When items available from mandatory GSA sources will not serve the required functional end-use, submit a request for waiver. Procurement from other sources shall be put on hold, until receipt of waiver from GSA.

Waiver request must include:

- A complete description of the type of item needed to satisfy the requirement. Descriptive literature such as cuts, illustrations, drawings and brochures which show the characteristics or construction of the type of item, or an explanation of the operation should be furnished, whenever possible.
- The item description and the stock number of the GSA item being compared. Describe inadequacies of the GSA items in performing the required functions.
- The quantity required and whether the demand is recurring, non-recurring, or unpredictable.
- The name and telephone number of the KO requesting the waiver.

Other GSA Programs

Other GSA programs are the Schedule Program, which centrally contracts items of supply that customer's order directly from the contractor/vendor through delivery orders; and the Special Order Program, which provides acquisition support services to designated overseas activities for items included in the Schedule Program. Contact the Schedules Information Center at (703) 305-6477 for more information on these special programs.

Defense Logistics Agency (DLA)

Items available from DLA range from heavy machinery parts to small hardware items to clothing and ecclesiastical furnishings. These items are supplied by the agency's five Defense Supply Centers (DSCs). An "R" preceding the stock number in the NSN

Sources of Supply and Services

Defense Logistics Agency (DLA) (continued)

Index of the GSA Supply Catalog Guide identifies items managed by DLA.

FED LOG. DLA managed items can be found in the Federal Logistics Data on Compact Disc-Read Only Memory (CD-ROM). FED LOG provides logistics information, including Reference Numbers, Management Data, Freight Data, Supplier (also as Commercial and Government Entity) Data and Code, Characteristics Data (Disc 5), and Representative Drawings (Disc 6). Discs are now also available on DVD and the Internet as well as CD-ROM. Searches can be performed at a general level (searching all FLIS information) or limited to the information specific to a particular service. Information is available for the following: FLIS, Air Force, Army, Navy, and Marine Corps. Contents of these Service-Unique Databases are listed in the Users Manual on the CD-ROM. website: <http://www.dlis.dla.mil>

Commandant (G-SLP) manages and distributes FED LOG within the Coast Guard. You can call them at (202) 267-2855.

FEDLOG includes: National Stock Number (NSN), National Item Identification Number (NIIN), Permanent System Control Numbers (PSCN), CAGE data, supplier information, part numbers, reference number data, item/colloquial name index, management data, interchangeability and substitutability (I&S) information, freight data, and characteristics information.

ARMY: The Army-unique data is made up of the Army Master Data File (AMDF).

NAVY: The Navy-unique data consists of the Master Repairable Item List (MRIL), Navy Item Control Numbers (NICN), and the List of Items Requiring Special Handling (LIRSH).

AIR FORCE: Air Force-unique data includes transportation information, the Recoverable Item Movement Control System (RIMCS), Catalog Management Data (CMD), the Air Force I&S file, the Stock Number User Directory (SNUD), the master base address file, and the Air Force X-file.

Sources of Supply and Services

Defense Logistics Agency (DLA) (continued)

DESC: Fuels, Lubricants, and Other Petroleum Products (Defense Contract Bulletin Items. The DESC contracts annually with commercial suppliers for fuels, lubricants, and other petroleum products. Yearly requirements are submitted to DESC as the basis in determining the quantity to be awarded. Procedures and guidelines for submission of estimates are in the SPPM, COMDTINST M4400.19 (series) and in MLC SOPs. Ordering instructions are contained in the Defense Contract Bulletin.

Prime Vendor

Prime Vendor contracts are issued by DLA in lieu of stockpiling materials in the depot system. One of the advantages to this system is that the need for large inventories is abolished because the vendor guarantees quick delivery. Currently they cover Pharmacy, Medical/Surgical, and Subsistence items.

Prime Vendor contracts are typically internet based. To use a Prime Vendor contract, contact the designated DPSC point of contact for sign on information and other assistance. Once items are received, the unit certifies the invoice/packing slip for payment and forwards the invoice to the COTR or DPSC.

Guidelines to utilize the Medical Prime Vendor contract are contained in Medical Prime Vendor Implementation within the Coast Guard, COMDTINST M6740.2 (series).

Guidelines for utilizing the Subsistence Prime Vendor contracts are included in the Coast Guard Food Service Manual, COMDTINST M4061.5 (series).

Department of Veterans Affairs (VA)

The major categories of commodities that the VA purchases are medical, dental, and hospital equipment and supplies; nuclear medical and X-ray equipment and supplies; subsistence items, including special dietary foods; hospital furnishings; and drugs and chemicals. Items available through the VA's Supply Depot System are listed in several VA Supply Catalogs (and identified by a "V" preceding the respective stock number in the GSA Supply Catalog Guide's NSN Index). Each catalog covers specific or groups of federal supply classes. Copies of the catalogs can be obtained from:

Department of Veterans Affairs
Policy and Interagency Services (91 A)
810 Vermont Avenue NW
Washington, DC 20420

Sources of Supply and Services

Federal Supply Schedules (FSS) Program

Directed and managed by GSA, this program provides federal agencies with commonly used supplies and services at established prices. Ordering offices issue delivery orders directly to the schedule contractors for the required supplies or services.

Every schedule includes contractual terms, minimum and maximum order limits, specifications, quality control, delivery time frames, inspection, and acceptance terms.

There are two types of schedules, Mandatory and Optional. The term Mandatory Schedule refers to a schedule that has mandatory user(s), while optional schedule indicates there are no mandatory users.

Classification of Users of Federal Supply Schedules

Users of FSS's are either mandatory or optional. The mandatory users are identified in the schedule; those not identified are optional users. Mandatory users are obligated to use the schedule as the source of their procurements. When "all executive agencies" is used to identify mandatory users, all departments under the executive branch of the government are considered mandatory users. The Coast Guard is part of the Executive Branch.

A schedule can be either SAS or MAS. An SAS means only one company/vendor is awarded a contract. A MAS schedule, indicates several companies/vendors are awarded a contract for same or similar items.

When placing orders as mandatory users, ordering units shall use SAS's as a primary source, and the MAS's as a secondary source. Ordering offices shall not solicit bids, quotes, or proposals, from open market sources in order to compare prices for the sole purpose of seeking alternative sources to the FSS's

MOBIS: MOBIS (Management and Organizational Business Improvement Services) is a GSA federal supply schedule contract that offers management consulting services. MOBIS also offers a variety of survey, training, and information technology services, as well as consulting on A-76 and outsourcing solution issues.

Sources of Supply and Services

Using Federal Supply Schedules

When using FSS's (both mandatory and optional), ordering units do not have to seek further competition, synopsise the requirement, determine if the price is fair and reasonable, or consider small business set-asides, since GSA already considered and satisfied the above requirements.

Ordering offices can place orders of \$2,500 or less with any FSS contractor. Since GSA has already determined the prices of items under these contracts to be fair and reasonable, such determination is not required of the ordering officer.

For orders more than \$2,500, the ordering office must ensure that a selection is the best value and meets the unit's needs at the lowest overall cost. To accomplish this, the ordering office should:

- consider information about products offered under multiple award schedule.
- determine the source that represents the best value. Review at least three price lists, and consider factors listed under "Mandatory Use"
- request a price reduction. Contractors are not required to pass on to all schedule users a price reduction extended only to an individual agency/ordering office for a specific order. When an order exceeds the Maximum Order Limit (MOL), a price reduction should be sought.

Small business concerns must be given preference when the required items are available from several contractors, at the same delivered price.

When using multiple-award schedules for orders above the micro-purchase threshold, ordering offices must review at least three price lists. This can be accomplished by a manual review of hard copy or storage retrieval systems (e.g., Source One). If using GSA Advantage!, this comparison will be done for you. Selecting a source can be based on: (1) lowest price, or (2) best value.

If best value is used, the following factors may be considered:

- Required special features;
- Trade-in considerations (see the Property Management Manual, COMDTINST M4500.5 (series));

Sources of Supply and Services

Using Federal Supply Schedules (continued)

Best value factors (continued):

- Probable life of the item selected versus that of a comparable item;
- Warranty conditions; and
- Maintenance availability

The procurement file must be documented to explain the factors that was used in the best value source selection.

Exceptions [Mandatory Schedules]

Mandatory use schedules are not required to be used if:

- the contractor is unable to satisfy the ordering office's documented urgent delivery requirement;
- the order is below the minimum order threshold or above the maximum order limitation;
- the destination is outside the area of geographical coverage stated in the schedule;
- a lower price for an identical item is available from another source;
- the total cost of the requirement is \$300 or less.

NOTE: The use of any of these exceptions should be adequately documented in the procurement file. See Chapter 12 regarding file documentation.

Request For Waivers Mandatory Schedules

If the ordering office determines that items available from the schedule will not meet its specific needs, but similar items from another source will, send a request for waiver to:

Commissioner
Federal Supply Service (F)
General Services Administration
Washington, DC 20406

The waiver request must contain the following information:

- A complete description of the required items. If available, enclose illustrations, drawings, and brochures that explain the characteristics and /or construction;
- A comparison of price, technical differences, required functions, or other advantages of the item requested;

Sources of Supply and Services

Request For Waivers Mandatory Schedules (continued)

- Quantity required; and
- Estimated annual usage or a statement that the requirement is non-recurring or predictable

Ordering offices shall not initiate action to procure similar items from non-schedule sources until a request for waiver is approved. The approval from GSA shall become part of the procurement file.

Open Market

Only after GSA has approved a waiver may the ordering office proceed with the “open market” purchase.

Government Printing Office (GPO)

GPO is the only required source for Government Printing requirements.

Open Market Purchasing

Introduction

This section will address the framework for buying supplies and services from commercial sources.

Procurement Authority

Authority to enter into contractual relationships and commit the government to the expenditure of public (taxpayer) funds is a DELEGATED authority. That is, this authority must be delegated in writing to the individual. In the Coast Guard, this is usually accomplished through the COWP, enclosure 24 to CGAP. In order to receive a KO Warrant, individuals must meet training, grade/rank requirements, and the requesting activity must demonstrate a valid need for the authority. Warrant authority within the Coast Guard is delegated as follows:

- **-Chief, Procurement and Logistics Branch, Naval Engineering Division, Maintenance and Logistics Command Pacific.** All KO appointments NTE \$50,000 for Supplies, \$50,000 for Services, \$25,000 for Construction, \$250,000 for Fuel, Subsistence and Port Services OCONUS for Pacific Area afloat assets: \$500,000 for Fuel, Subsistence and Port Services OCONUS for Icebreakers (Polar class and Healy); and all KO appointments within the simplified acquisition section of the Naval Engineering Division NTE \$100,000.
- **-Chief, Procurement Branch, Finance Division, Maintenance and Logistics Command Pacific.** All KO appointments NTE \$50,000 for Supplies, \$50,000 for Services, and \$25,000 for Construction, \$250,000 for Fuel, Subsistence and Port Services OCONUS for all units Pacific Area except Pacific Area afloat assets, KOs in Naval Engineering Division, and Headquarters Units; and all KO appointments within the simplified acquisition section of the Finance Division NTE \$100,000.
- **-Chief, Finance Division, Maintenance and Logistics Command Atlantic.** All KO appointments NTE \$50,000 for Supplies, \$50,000 for Services, and \$25,000 for Construction, \$250,000 for Fuel, Subsistence and Port Services OCONUS for all units in Atlantic Area except Headquarter units; and all KO appointments within the Finance Division NTE \$100,000.

Open Market Purchasing

Procurement Authority (continued)

Commandant (G-ACS) also has been delegated authority to issue Contracting Officer warrants. All other KO Warrants are issued by HCA. For the Coast Guard, this position is Director of Finance and Procurement Commandant (G-CFP).

Other Forms of Procurement Authority

The HCA has delegated authority to COCO's to further delegate non-warranted procurement authority for the P-Card. COCOs may also delegate micro-purchase authority to non-warranted cardholders. See Chapter 5, Micro-Purchasing.

Other forms of delegated non-warranted authority include the use of SF-44s, Convenience Checks, and BPA call authority. See Chapter 7, Acquisitions Up to \$25,000, and Chapter 5, Micro-Purchasing.

Another deviation to the rule for fuel purchases allows aircraft and vessel Commanders (or their designees, appointed in writing) to issue delivery orders against DESC contracts. See Chapter 7, Acquisitions up to \$25,000.

Separation of Duties

In the procurement process, the separation of duties is essential to avoid the appearance of impropriety. In all situations the Funds Certification Officer, the KO, or the delegated procurement authority, shall be a different individual from the person who will be accepting the supplies or services. At a minimum, there shall be at least two different individuals responsible for these three functions.

Responsibility Determination

FAR 9.103 directs Agencies to purchase from contractors who are responsible. FAR 9.104-1 provides that in order to be determined responsible, a prospective contractor must:

- have adequate financial resources to perform the contract, or the ability to obtain them;
- be able to comply with the required or proposed delivery or performance schedule;
- have a satisfactory performance record; (except see FAR 9.104)
- have a satisfactory record of integrity and business ethics;
- have the necessary organization, experience, accounting and
- operational controls, and technical skills, or the ability to obtain them;

Open Market Purchasing

Responsibility Determination (continued)

- have the necessary production, construction and technical equipment and facilities, or the ability to obtain them; and, be otherwise qualified and eligible to receive an award under applicable laws and regulations.

Unless the KO has reason to believe a prospective contractor may not meet the above criteria, for simplified acquisition actions the KO shall, as a minimum, review the current list of all parties debarred, suspended, proposed for debarment, or declared ineligible by agencies or by the GAO and ensure the prospective awardee is not on the list. Vendors on this list are precluded from doing business with the government. “The List of Parties Excluded from Federal Procurement and Non-procurement Programs” is available on-line at <http://www.arnet.gov>, click on ‘Virtual Library’, click on ‘Award’, click on ‘Excluded Parties List System’.

The KO as may be appropriate to the circumstances may make other methods of responsibility determination. Consult FAR Part 9.1 for guidance.

Seven Basic Steps to Procurement

The 7 basic steps to buying are:

1. Receive a Procurement Request (PR).
2. Screen the PR for required information and reviews (HAZMAT, property review, RCRA, etc.).
3. Review mandatory sources to establish source of supply.
4. Solicit quotations (if necessary); analyze quotes.
5. Award or Issue purchase document.
6. Administer the Order, which includes receiving report, payment, and closeout.
7. *Ensure that evidence of the above steps is documented on DOT 4230.1, or locally used equivalent form.*

Step 1: Receive a funded PR

The PR is the responsibility of the customer. The customer is the entity for whom you are buying supplies and services.

Step 2: Reviewing a PR

The purchasing official must review, or screen, the PR for adequacy before proceeding with the buy. The following items should be contained on, or forwarded with, the PR:

Open Market Purchasing

Seven Basic Steps to Procurement (continued)

- Accounting data
- Local approvals
- Certification of funds availability
- Purchase description
- Required delivery date
- Suggested source(s) of supply
- JOTFOC, if applicable
- Property review and general purpose property Statement
- Evidence of unit hazardous material coordinator and PPC review, if applicable
- Requisitioner determination form, if applicable
- IGE
- Delivery terms

The buyer shall contact their customer to retrieve any missing or incomplete data from the above list.

Accounting data: While KO's do not select the fund citation for procurement, they are well advised to become familiar with the array of fund accounts authorized by the Coast Guard. The Financial Resource Management Manual (FRMM), COMDTINST M7100.3 (series), contains information on all AFC's used within the Coast Guard. The FINCEN SOP also contains information on AFC's and accounting lines. The FRMM, COMDTINST M7100.3 (series) is located on the G-CFM-1 website. The FINCEN SOP is located on the web <http://cgweb.fincen.uscg.mil/>

Local Approval: After a request is initiated, it is generally forwarded through the chain of command to an individual to approve the purchases for that office. This process is determined at the local level.

Certification of funds availability: This is the single most important signature on the PR. **Do not** purchase anything unless this certification has been made on the PR.

Purchase description: A purchase description means a description of the essential physical characteristics and functions required to meet the government's needs. Specifications, Statement of Work, drawings, etc., should accompany the PR.

Open Market Purchasing

Seven Basic Steps to Procurement (continued)

NOTE: Generally, more sophisticated contractual requirements such as First Article Testing, complex inspection requirement, and government quality assurance inspection at the site, shall not be included in simplified acquisitions because the administrative cost outweighs the benefits derived.

Required delivery date: A realistic delivery date. For example, if a customer gives a required delivery date of “ASAP”, the buyer should find out when the supply/service is really required. Remember that the Government may pay a higher price for faster delivery; so if an emergency doesn’t exist, don’t pay for it.

Suggested sources of supply: The source(s) identified on a PR are “suggested” only. The KO and ONLY the KO is responsible for source selection.

Sole Source Justification (JOTFOC): If the customer suggests a “sole source” procurement is the only way to meet the Government’s needs, the PR must be accompanied by a JOTFOC. The JOTFOC must demonstrate that the suggested source is the only supplier in terms of urgency, exclusive licensing agreements, etc. The complexity and detail of the JOTFOC should be commensurate with the complexity of the procurement.

Property Review and General Purpose Property Statement: All procurement requests (except those for services) shall contain one of the property statements as defined in the Property Management Manual (PMM), COMDTINST M4500.5 (series).

Hazardous Material Coordinator/Pollution Prevention

Coordinator Review: PRs that contain items listed in Enclosure 1 must have this review. Additional requirements for the purchase of these items may be found in Chapter 9, Special Procurement Categories.

Requisitioner Determination Form: Required for every PR, which contains items designated by the EPA as items that can be made with recycled materials. See Chapter 9, Special Procurement Categories for more information on this subject.

Open Market Purchasing

Seven Basic Steps to Procurement (continued)

Independent Government Estimate: IGEs can be derived from market research, published catalogs, price lists, recent purchases, etc. Keep in mind the dollar value and nature of the procurement. For example, services estimated to cost \$30,000 should have a more detailed estimate than services that cost \$4,000. The IGE for the \$30,000 buy should include a breakdown of various cost elements such as labor, material, etc.

Step 3: Mandatory Sources Review

Review all required sources of supply/service prior to purchasing on the open market. If the item/service is not found, purchase via the commercial market is authorized. (See Chapter 10 for Special Procurement Items.)

Step 4: Solicit Quotations

If the PR estimate is less than \$2,500 (except for construction), quotations are not required as long as the price can be determined fair and reasonable. At a minimum, call the suggested source and confirm the amount quoted, noting the name of the person providing the quote and the date. If the price on the PR is NOT a fair price, find another source for the item and get another quote.

If the PR estimate is over \$2,500, competition shall be obtained and at least 3 sources shall be solicited. This is normally accomplished orally using sources within the local area. Sole source actions over \$2,500 must be documented with a JOTFOC. See Chapter 7, Acquisition Up to \$25,000, for more information on this subject.

Step 5: Award or Issue Purchase Document

Determine the most economical, efficient purchase method and issue the order. Purchase methods to consider, in the order of preferred use, are: P-Card; Purchase Order, Blanket Purchase Agreement, SF-44, Imprest Fund. Each of these methods is briefly described below and in more detail in Chapter 5, Micro Purchasing and in Chapter 7, Acquisitions Up to \$25,000.

Open Market Purchasing

Seven Basic Steps to Procurement (continued)

Step 6: Administer the Order

This may be as simple as ensuring that supplies arrive on time or as complex as negotiating a termination settlement for an order that has been terminated for convenience. (See Chapter 12, Administration.) At a minimum, administration includes timely payment, receipt documentation, and final closeout.

Simplified Acquisition Methods

There are several SAP methods, which may be used to buy supplies and services within the SAT. Procurement professionals should use the method that is the most efficient and economical for each procurement.

1. **Governmentwide Commercial Purchase Card:** The P-Card is the preferred method for buying supplies and services at or below the micro-purchase threshold. The P-Card may be used to acquire supplies and services up to the SAT. Use of the P-Card is encouraged because it reduces costly administrative functions associated with purchase orders, blanket purchase agreements, and other SAP methods.

Note that if the card is used for actions in excess of the micro-purchase threshold, required clauses must be transmitted to the vendor.

2. **C-Checks:** Checks issued by P-Card bank to P-Card account holders for use as procurement vehicles. The P-Card bank charges a fee on the value of each check used, and therefore, C-Checks should be used with discretion. (See Chapter 5, Micro-Purchasing.)
3. **Imprest Funds:** Imprest funds allow over-the-counter cash purchases for actions, which do not exceed \$500 when other simplified acquisition methods cannot be used. (See Chapter 5 for exceptions).
4. **SF-44:** Use the SF-44 only as a last resort if the vendor will not accept the P-Card or C-Check. The SF-44 is a multi-use document which includes the purchase order, receiving report, vendor invoice and payment voucher. The SF-44 is intended to be used for micro-purchases for which one

Open Market Purchasing

delivery and one payment are to be made. (See Chapter 5).

**Simplified
Acquisition
Methods
(continued)**

- 5. Blanket Purchase Agreements (BPAs):** BPAs have been widely used in the Coast Guard but their use is diminishing due to the establishment of the P-Card. BPAs are similar to charge accounts. They are typically used when a unit has a repetitive need for supplies or services, which cannot be predicted in advance. Transactions or “calls” are placed against the BPA by authorized callers within stated dollar limits. Payment is usually made monthly; thus eliminating the need to make a payment each time a purchase is made.
- 6. Purchase Orders:** Generally issued as a unilateral document, this is the Government’s offer to purchase supplies or services at the specified price under the terms and conditions contained on the order. Purchase orders are used primarily for actions in excess of the micro-purchase threshold, when the Government desires/requires additional terms and conditions, or when any of the other simplified acquisition methods are not appropriate. Except for unpriced purchase orders (see Chapter 7, Acquisitions Up to \$25,000), purchase orders are issued on a fixed price basis.

**Procurement
Administrative
Lead Time (PALT)**

Procurement Action Lead Times For Simplified Acquisitions

Dollar Value	Acquisition Type	Work Days to Award
Up to \$2,500	Supplies & Services	5
Up to \$2,000	Construction	5
\$2,501 - \$25,000	Supplies	14
\$2,501 - \$25,000	Services	30-45
\$2,001 - \$25,000	Construction	30
\$25,001 - \$100,000	Supplies	45-60
\$25,001 - \$100,000	Services	45-60
\$25,001 - \$100,000	Construction	45-60

NOTES:

The range under the column entitled “Work Days to Award,” or, the PALT,” can be *subjectively* applied to Coast Guard Units that routinely process high volumes of a mix of simplified acquisitions, i.e., an average of 100 to 300 per week, and for Units that routinely process low volumes of a mix of simplified acquisitions, i.e., 15 to 25 per week.

Open Market Purchasing

**Procurement
Administrative
Lead Time (PALT)
(continued)**

- 1. All PALTs in the foregoing table consider lead times for P-Card buys and commercial acquisition buys.
- 2. The foregoing PALTs are **guidelines** that are intended for workload planning and customer information. They are based on the receipt of a properly prepared PR, which includes a proper specification or SOW. Coast Guard Units that execute simplified acquisitions are required and encouraged to process requirements in the most timely manner possible and practicable while remaining within legal, regulatory and procedural confines.
- 3. Coast Guard Units that execute simplified acquisitions are strongly encouraged to educate their customers in the PALTs that are applicable to their activity.

Tax Exemption

Generally, the Government is exempt from payment of taxes on purchases. This exemption applies to purchases of both property and material acquired with appropriated funds for government use. The exemption does not apply to items purchased by contractors or the Federal Excise Tax imposed on specific items. The **Coast Guard Tax Exempt Number is B-239641**. Purchasing personnel may have to provide this number to vendors to claim the exemption.

The U.S. Tax Exempt Certificate (SF-1094) may also be used for this purpose.

IRS Reporting

When purchasing services using a purchase order, delivery order, or BPA, the KO is responsible for submitting additional information to the FINCEN or the bill paying office.

The KO must obtain the vendor's TIN and indicate this information on the FINCEN's copy of the purchase document. The FINCEN reports this information to the Internal Revenue Service.

Category II MIPRs going to another government agency and all MIPRs originating from another government agency coming to the Coast Guard if the Coast Guard will pay the contractor and be reimbursed by the other government agency shall also contain this information. Place the TIN on the MIPR Acceptance, DD Form 448-2, block 13.

Open Market Purchasing

**Ethics and/or
Federal
Regulations**

Statutes prohibit government personnel from: accepting gifts or bribes; using public office for private gain; giving preferential treatment to any person; losing complete independence and impartiality in business decisions; making a government decision outside official channels; or eroding the confidence of the public in the integrity of the Government. Any concerns or questions about ethics related issues should be directed to your servicing legal office. (See also FAR Part 3)

**Vendor
Agreements**

In general:

DO NOT SIGN VENDOR AGREEMENTS.

Usually, the conditions of the purchase can be agreed upon and a standard government purchase document can be used to accomplish the buy.

If vendors require an agreement be signed, obtain legal advise from the servicing legal office, via the COCO.

Micro-Purchasing

Micro-Purchase Instruments and Procedures

Introduction The following guidelines are prescribed for all open market purchases less than \$2,500 for all levels of procurement authority for supplies and services, using purchase orders (SF-1449's, OF-347's, SF-44's). Open market purchases less than \$2,500 are called micro-purchases. Per the requirements of the Davis-Bacon Act, purchase of construction is limited to \$2,000.

Authority and Application Micro-Purchasing is designed to reduce administrative work and expedite the purchases of readily available supplies and services. **Micro-Purchasing does not waive mandatory supply sources or procedures. (See Chapter 3.) Micro-purchasing also does not waive the requirements of the Resource Conservation and Recovery Act or the Greening the Government through Waste Prevention, Recycling, and Federal Acquisition (E.O. 13101) (See Chapter 9.)**

FAR 1.603-3 provides for delegation of micro-purchase authority to non-warranted individuals. COCO's are authorized to establish procedures for such delegations.

Restrictions Procurement officials may **not** exceed the limits of their written delegated authority.

Procurement Methods and Limits The following is a list of commonly used procurement methods. This list is not intended to be all-inclusive.

Preferred method: The P-Card is the preferred method for purchases \$2,500 or less.

C-Checks: Not to exceed \$2,500 per check.

SF-44: Least preferred method for Micro-Purchasing after the P-Card and C-Checks. SF-44's may not exceed \$2,500, except for the purchase of fuel/oil for vessels and aircraft. (See Chapter 7.)

NOTE: It is anticipated that the SF-44 will be phased out, and that C-Checks and the P-Card will replace the SF-44.

Micro-Purchasing

Procurement Methods and Limits (continued)

BPA Calls: Limits designated in the BPA may not exceed \$2,500 except for KOs, Purchasing Agents, and food service personnel. (See Chapter 7, Acquisitions Up to \$25,000)

NOTE: P-Cards are preferred over BPA's as a procurement method.

Purchase/Delivery Order (SF-1449/OF-347): May only be signed by a warranted KO and may not exceed the limits of the KO's warrant.

Imprest fund: \$500 per transaction: See exceptions under section entitled "Imprest Fund".

NOTE: IT IS ILLEGAL TO DELIBERATELY SPLIT REQUIREMENTS TO USE MICRO-PURCHASE PROCEDURES IN ORDER TO CIRCUMVENT PROCUREMENT REGULATION THAT GOVERN HIGHER DOLLAR VALUE REQUIREMENTS.

Guidelines

Micro-Purchases do not have to be reserved for small business concerns. Micro-Purchases shall be rotated among qualified suppliers, and may be made without competitive quotes. Oral quotes should be utilized to the maximum extent practicable. Quotes may be evaluated for best value; including warranty, maintenance, and performance. The price paid must be determined fair and reasonable.

Personal preference for vendors and brand name items are not a valid reason to restrict competition.

Documentation

FAR clauses are not required for Micro-Purchases.

Documentation should be kept to a minimum. However, documentation, (i.e., Simplified Acquisition Summary or equivalent form) is required to document deviation from a mandatory source, to describe unusual situations affecting the purchase, and/or to explain the Purchasing Agent's rationale for the purchase.

Open Market Purchases

Definition: Micro-Purchases that are made from commercial vendors/sources after all government supply sources have been evaluated and excluded.

Micro-Purchasing

Open Market Purchases (continued)

Procedures:

1. Receive and review the PR.
2. Initiate solicitation; obtain funding and certifications (i.e., HAZMAT, RCRA, Property).
3. Solicit quotes, terms and availability.
4. Evaluate best price and best value.
5. Determine purchase method and place order.
6. Obtain a receipt for supplies/services.
7. Submit documentation for accounting and/or payment.

NOTE: Vendors shall not be excluded because they do not accept the P-Card.

Blanket Purchase Agreements (BPA's)

BPA's detail the terms for establishing a 'charge account' for supplies/services a vendor may be able to provide for repetitive requirements.

Chapter 7, Acquisitions Up to \$25,000 discusses procedures for establishment of BPA's.

Restrictions:

BPA's do not establish preferred vendors, justify sole source, or exempt mandatory sources.

BPA calls should be rotated among multiple providers for competition and equitable distribution.

Only those individuals listed in the BPA and within the dollar limits prescribed may place calls against a BPA. (See enclosure 3 for a sample BPA.)

Dollar limits per call may not exceed \$2,500 except as follows:

Food Service Personnel: May exceed \$2,500 per call when designated in writing (see enclosure 4) and other specific procedures have been followed (see Chapter 7, Acquisitions up to \$25,000).

Purchasing Agents: May exceed \$2,500 when the call has prior review/approval by a KO.

Micro-Purchasing

Blanket Purchase Agreements (BPA's) (continued)

Procedures:

1. Follow steps for open market purchasing.
2. Each call shall be supported by a purchase request (PR), memo or local form citing the purchase request, and funding.*
3. Once funds are approved, place a call with the vendor meeting the requirement.
4. Document the call: items ordered, price, and delivery. (See Enclosure (5) for a sample call record sheet). Ensure a delivery ticket accompanies the supplies.
5. Delivery tickets are required to complete all call sheets and support payment by FINCEN.**
6. Follow invoice payment procedures listed on the FINCEN SOP.**

**** In the event payment on the BPA will be accomplished with a P-Card or C-Check, follow the procedures in Chapter 7 herein.**

(*) A (PR) is required for each BPA call unless the bulk funded method is utilized. See Chapter 7, Acquisitions up to \$25,000, for funding procedures.

SF-44

Described: Multi-purpose form serving as purchase order, receiving report, invoice, and voucher.

Designated for over-the-counter, immediately available supplies, or for isolated activities (e.g. deployed aircraft, small boat station, ESU Team). The SF-44 is the **least preferred** procurement method after the P-Card and C-Checks.

Restrictions: Authorized users are KOs or personnel designated by a KO as an Ordering Officer.

Limited to purchases under the micro-purchase threshold (\$2,500).

May not be used for transportation/shipping charges.

May not be used for recurring services (cellular phones, pagers.)

Imprest Funds

Described: A petty cash fund advanced to a designated custodian for cash disbursements (i.e. cash purchases). See Certifying and Disbursing Manual, COMDTINST M7210.1 (series) for policy and

Micro-Purchasing

Imprest Funds (continued)

procedures regarding set-up and maintenance of an Imprest Fund.

Restrictions: Funds may only be disbursed for vouchers certified by an authorized official designated in writing, by the comment. Authorized officials in the Coast Guard are KO's or Ordering Officers.

Purchases may not exceed \$500 per transaction. Purchases in excess of \$500 shall be directed to G-CPM with a copy to the servicing COCO for prior approval. If the requirement will/may exceed the KO's warranted authority, the request shall also be made for a temporary increase to the warrant. Imprest funds may not be used for money orders or personal services.

Procedures:

1. Follow steps for open market purchasing.
2. Present a completed SF-1165, Receipt for Cash/Sub-voucher, or SF-44, Purchase Order Invoice, to the imprest fund cashier. A completed form must include the purpose, accounting data and signature of the KO.
3. Sign the interim receipt for cash, assuming responsibility for the disbursement.
4. Make the purchase obtaining the vendor's signature and receipt. Sign the voucher showing receipt.
5. Return the voucher, receipt, and unused cash to the cashier within five (5) working days of initial disbursement.

Service Maintenance Agreements

A warranted KO shall sign SMA(s). (See Chapter 7.)

Micro-Purchasing

P-Card/C-Check

P- Card The P-Card should be used instead of purchase/delivery orders, SF-44s, BPAs or imprest funds. It may be used for all simplified acquisitions up to the SAT. The P-Card is the preferred SA method for commercial procurements less than \$2,500. If a designated vendor accepts the P-Card, it shall be used to make the purchase.

Rules: DOT has published guidelines for the P-Card Program. These can be found in the TAM, Appendix B. This manual is available on the DOT web site: <http://www.dot.gov/ost/m60>, Enclosure (2). Appendix B is also contained herein.

Non-Warranted Cardholders: Non-warranted cardholders may not exceed \$2,500 in purchase authority except for fuel purchases (see exception below). Non-warranted cardholders are further restricted to acquisition of supplies and services up to \$2,500, and construction up to \$2,000.

NOTE: Service contracts over \$2,500 invoke the SCA. Construction contracts over \$2,000 invoke the Davis-Bacon Act.

Warranted Cardholder: Warranted cardholders may use the P-Card to make purchases up to the limit of their warrant authority, but P-Card purchases can never exceed \$100,000.

Exception: Warranted and non-warranted P-Card account holders with less than \$100,000 procurement authority, may use the P-Card for fuel purchases for Coast Guard aircraft and vessels up to \$100,000 per transaction, if authorized, in writing, by the COCO. In situations where needed, the COCO may grant blanket authorization for fuel purchases up to \$100,000. This authority may only be used under the following conditions: 1) if there is no DESC supplier available and, 2) if the vendor will not accept the Fleet Services Card.

Micro-Purchasing

P- Card Procedures

General:

- Only the person whose name appears on the card may use the P-Card. Failure to comply with this rule will result in unauthorized commitments.
- PRs are not required with the P-Card. However, units electing not to use a PR must have in place procedures that will ensure that purchase transactions are supported by a certification of funds availability, and an accountable document, e.g. a sales slip for over the counter purchases, invoices, package slips, and a telephone log for telephone purchases.
- The P-Card is to be used as a replacement for other procurement documents such as POs, BPAs, and SF-44s. Therefore, when using the P-Card, do not prepare additional procurement documents that could cause unintended or duplicate DAFIS entries and result in duplicate/improper payments.
- **THE CARD MAY NOT BE USED FOR CASH TRANSACTIONS OR PERSONAL PURCHASES !**
Use of the P-Card for other than official Government business will be considered an attempt to **DEFRAUD** the U.S. Government, and may result in immediate cancellation of credit cards and/or disciplinary action against violators. P-Card account holders will be held personally liable to the Government for the amount of any non-approved purchases.
- The P-Card shall be kept in a secure location.
- Do not purchase construction over \$2,000 or services over 2,500 EXCEPT for SMAs (document type 32), which are restricted to \$100,000 or less, and must be signed by a KO.
- When telephone orders are placed for pickup at a merchant's facility, the P-Card account holder may designate a staff member to pick up the order. If the person picking up the order is required to sign a credit card receipt, they should only sign as having received the item. The cardholder makes verification of the pickup when the monthly SOA is

Micro-Purchasing

P- Card Procedures (continued)

certified.

- The receipt shall be kept in the purchase file.

Commercial Purchases:

Consider required government sources (see Chapter 3, Sources of Supply) prior to making commercial purchases with the P-Card. The P-Card may be used to pay for delivery orders placed against GSA FSS, providing that the order does not exceed the cardholder's limit, and in no event more than \$100,000.

Backorders:

If the P-Card is used for backorders, the unit shall have a system for tracking receipt of undelivered items (e.g., tickler file) and for disputing items charged prior to shipment or receipt.

NOTE: Purchases shall not be charged until shipment occurs. P-Card transactions are billed to the FY current on the date that the items/services were ordered. If current FY funds are to be used for P-Card purchases, ensure that the order for supplies or services is placed prior to 1 Oct of the current year. See **Note** on payments made by FINCEN under 'P-Card Responsibilities'.

Fees:

P-Card merchant regulations **PROHIBIT** vendors from adding a surcharge to the cost of the merchandise. Surcharges must be disputed in accordance with dispute procedures. If the merchant accepts the P-Card but attempts to impose a "premium" or additional charge on the purchase, cardholders should emphasize the benefit for contractors of obtaining their payment immediately upon shipment rather than having to wait 30 days or more after submitting an invoice. Premiums or additional costs should not be factored in the costs of the purchase.

Taxes:

At the time of purchase, the cardholder should advise the merchant that the purchase is for official U.S. Government purposes, and therefore, is not subject to state and local sales tax. The face of the P-Card indicates "US GOV TAX EXEMPT" in embossed letters.

Micro-Purchasing

P- Card Procedures (continued)

The Coast Guard tax exempt ID number is B239641. In the event that the merchant includes sales tax, it should be disputed to the merchant, not the card-issuing bank. Provide the merchant with the bank's toll-free number located on the back of the credit card in the event that the merchant questions the sales tax exemption.

GSA restricted purchases:

The following items may not be purchased using the P-Card:

- Rental or lease of real property
- Telephone services under GSA authority (This does not include cell phones or pagers.)
- Cash transactions
- Personal purchases
- Savings Bonds (Except see Note below.)
- Payment of freight transportation services that would normally be obtained by issuing a GBL (See Chapter 12.)

NOTE: The P-Card may be used to procure savings bonds, from the United States Treasury via the internet at <http://www.publicdebt.treas.gov/sav/sav.htm>

Restricted purchases requiring COCO authorization:

The following P-Card purchases require prior authorization by the COCO:

- Airline, bus, train or boat tickets.
- Rental/lease of a motor vehicle while on official travel. Repairs, gasoline, oil, tires, or other attachments/equipment for motor vehicles in the GSA Fleet Management Program and/or Department owned or commercially leased vehicles. Units should be using their GSA Fleet card for any of these purchases for vehicles in the GSA Fleet Management Program. **Note: Some motor vehicle related purchases require GSA authorization prior to purchase.** (See Supply Policy and Procedures Manual (SPPM), COMDTINST M4400.19 (series), and/or Motor Vehicle Manual, COMDTINST M11240.9 (series)).

Micro-Purchasing

P- Card Procedures (continued)

- Meals, beverages, or lodging, except when **GSA travel and subsistence cards are not accepted by the merchant** and when written authorization is received from the COCO. Lodging costs for members in a travel status cannot exceed regulatory limitations on per diem without prior approval from the order issuing authority. All food purchases are subject to the limitations listed in Chapter 10, Special Procurement Items.

A copy of the vendor's itemized receipt must support **all** P-Card purchases. Summary vendor receipt or one including taxes is not acceptable.

NOTE: Payment of lodging and meal expenses for members of the Coast Guard Reserve, while participating in ADT (drills), are not considered travel related services and the use of the P-Card is authorized. See Chapter 10, Special Procurement Items, for further guidance.

Coast Guard regulated purchases: Information Technology (IT) (formerly FIP, ADP/ADPE) - Cardholders shall consult with their local Information Resource Management personnel when procuring IT resources.

Disputes:

If supplies purchased with the P-Card are unacceptable follow the steps below:

- 1) Return the item for replacement or receive a replacement or credit; **CASH REFUNDS ARE NOT AUTHORIZED.** Be sure to obtain a credit voucher for returned items, and attach that voucher to the SOA. If the merchant refuses to replace the defective item or give credit, the purchase of this item/service will be considered to be "IN DISPUTE."
- 2) If a P-Card account holder is charged for an item incorrectly, fails to receive items or services ordered, received only a partial delivery, or is billed for supplies or services not ordered, the item/service will be considered "IN DISPUTE".

Micro-Purchasing

P- Card Procedures (continued)

- 3) The government has the right to determine the appropriateness of the charge. If the dispute results in a credit, the credit will appear on the cardholder's statement. All disputes must be documented on the SOA by providing an explanation of the dispute on the reverse side of SOA in red ink.
- 4) Disputes must be filed with the bank within 60 days of the date of the SOA.

Cardholders should refer to the bank's procedures for processing disputes.

P-Card Responsibilities

Definitions, Positions and Responsibilities within the P-Card Program:

Non-warranted Cardholder

Purchasing Official designated by a COCO or delegated authority to utilize the P-Card for individual purchases that do not exceed the Micro-Purchase threshold.

Warranted Cardholder

Purchasing Official holding a KO's warrant who may make purchases up to their warranted authority.

IAW with the USCG COWP, warranted or non-warranted cardholders may utilize the P-Card for the acquisition of fuel/oil for vessels, aircraft and small boats, within monetary limits prescribed therein. However, DESC and the Fleet Services Card remain the primary mechanisms for obtaining these supplies.

Micro-Purchasing

P-Card Responsibilities (continued)

Non-warranted/Warranted Cardholders responsibilities include the following:

- Each P-Card account holder shall review the SOA for accuracy, attached supporting documentation (i.e. sales/credit slips, order log, dispute forms); sign the SOA and forward to the AO within seven calendar days of receipt.
- Take action to correct/dispute questionable charges; submit monthly SOA to the AO with copies of supporting documentation, (e.g. sales slips, order logs, dispute forms, etc)
- Dispute improper charges (e.g., sales tax), with vendor.

Approving Official (AO)

Official designated in writing, one supervisory level by rank/grade, or command structure above the cardholder, who is responsible for oversight and review of cardholder activity. The AOs responsibilities include the following:

- Review each cardholder's SOA for accuracy and completeness; reviewing each purchase for official use and regulatory compliance.
- Attest or certify that the SOA has been reviewed and is authorized for payment.
- Take action to review and submit SOAs in the absence of a P-Card account holder.
- Submit the SOA to FINCEN within seven (7) calendar days of receipt from the cardholder.
- Resolve questionable charges with the P-Card account holder; initiate action for incidents of improper use.

Micro-Purchasing

P-Card Responsibilities (continued)

- Evaluate inactive accounts; ensure accounts are canceled where necessary; track disputed/questionable purchases through resolution.
- Initiate account set-up forms; evaluate purchase limits and MCC.

NOTE: The FINCEN pays the card-issuing bank on a daily basis, and reconciles charges paid via monthly audit of SOAs. As part of the FINCENs arrangement to pay daily, monthly audits are performed on SOAs. As a result, AOs **shall** submit SOAs within the seven (7) day time frame. Failure to do so may result in de-activation or cancellation of the P-Card.

COCO

KO designated with procurement oversight for a geographical area. Responsibilities include oversight and delegation of authority for the P-Card program within the geographical area. The COCO's responsibilities include the following:

- Local administration of the P-Card program.
- Implement procedures to ensure minimum training requirements are met by P-Card account holders and approving officials.
- Implement procedures to verify and ensure regulations and procedures are followed.
- Ensure period audits are conducted (not less than annually) of P-Card files/purchases for compliance with regulations, policy, and procedures.

Agency Program Coordinator (APC)

Official responsible for the administrative management of the P-Card Program within a geographical area. The APCs responsibilities include the following:

- Establish accounts.

Micro-Purchasing

P-Card Responsibilities (continued)

- Problem resolution.
- Liaison between P-Card account holder, AO's, COCO's, and the P-Card issuing bank.
- Expedite requests for emergency issue of a P-Card; disaster relief, etc.
- Review and submit approved account set-up and maintenance forms to the P-Card issuing bank.
- Coordinate card reissue report for card renewals.
- Request C-Checks
- Ensure each P-Cardholder and AO has proper training.

Organization Program Coordinator (OPC)

The OPC has overall responsibility for administration of the P-Card program at USCG HQ level.

Purchase Limits

An amount established as a financial control for the *single purchase limit, monthly purchase limit, and office purchase limit* of the cardholder and approving official.

Merchant Participation

- Comply with rules governing participation with the designated P-Card.
- Accept the government's tax exempt status and document sales with the Coast Guard tax exempt number, B239641. Cardholders may provide the card issuing bank's toll free number for problem resolution.
- May not assess a fee, surcharge or premium for using the P-Card. If a fee is charged, report the merchant to the card-issuing bank.

Micro-Purchasing

Methods of P-Card Documentation

Records

Records (SOAs) shall be retained for a period of 3 years. When destroying, deleting or removing P-Card purchase documentation, every effort should be made to shred files and paperwork containing account numbers.

Charge Slips/Sales Receipts/Invoices

Must be legible and complete. Must include the date, vendor name and address, the amount, and a detailed description of the purchase. Part numbers or terms such as “miscellaneous”, “supplies”, “office supplies”, “general merchandise”, or “hardware items” are not sufficient. If the charge slip/sales receipt/invoice only gives date, store name and amounts, either attach the Purchase Request or the P-Card Log with a complete description.

P-Card Log

An alternative to the above procedures is to use the P-Card Log. The log (CG Form 5623) is available in Jetform Filler, and Forms Menu. The log shall contain the vendor’s name, address and telephone number, purchase amount, freight amount (if freight amount is over \$100 a copy of the carriers freight bill must be included), purchase and receipt date, and a detailed description of the purchase. Receipts and documentation for the following charges shall be attached to the Order Log (even if it is being used in lieu of receipts) and submitted with the SOA to the FINCEN as follows:

- purchases over \$2,500
- bottled water purchase authorization;
- approvals for membership in the name of the Coast Guard;
- advertisement tear sheets;
- COCO or HCA approval of airline, bus, boat, or train tickets, least of motor vehicles for official travel, meals, beverages, or lodging (other than reservists), maintenance and fuel for motor vehicles in the GSA fleet;

Micro-Purchasing

Methods of P-Card Documentation (continued)

- All dispute forms filed with the bank.
- Accountable documentation for purchases made with C-Checks is the same as for purchases made with the P-Card but **must also include a copy of the written check.**

All receipts and documentation shall be retained as described in Chapter 12, “Administration”, and as defined above.

A copy of the SOA with P-cardholder and AO signature shall be retained for audit purposes.

In the absence of the P-Cardholder, the Command and/or the AO shall take necessary action to retrieve, review and process the SOA. The AO shall document why the P-Cardholder was unavailable and sign the SOA.

P-Card Account/Card Activity

Account Set-up/Cancellations:

AOs are responsible for nominating cardholders to the APC with stated purchase limits and MCCs.

Each card may only be established with one accounting string and one object class.

APC's will interface with the card-issuing bank to establish new accounts through the bank's automated access system.

C-Check

Definition: C-Checks are pre-printed, pre-numbered, multi-copy checks that are issued by the government's P-Card issuing bank, which is currently Bank of America (BOA). They are issued to P-Card account holders by the bank via a written request from the P-Card account holder's Agency Program Coordinator (APC).

Purpose: C-Checks are a procurement vehicle for purchasing and paying for supplies and services. They are used when merchants *will not* accept a P-Card or purchase order. They may be used worldwide. They are next to the least preferred method of procurement, just above the SF-44, Purchase Order Invoice Voucher. The reason for this is twofold: (1) By the nature of their use, C-Checks carry a high risk for abuse, and; (2) The P-Card

Micro-Purchasing

C-Check (continued)

issuing bank charges a substantial fee on the value of each check cashed.

NOTE: The current P-Card bank charges the USCG Unit 1.9 percent on the value of each C-Check written. Procedures:

- *How to Request C-Checks:* Only APCs have the authority to request C-Checks from the P-Card issuing bank. The servicing COCO must approve all APC requests for C-Checks to monitor the use of C-Checks.

Requests to the bank shall include the following information:

- i. P-Card account holder name and account number
- ii. Number of checks
- iii. Number of checks per book

At the discretion of the APC, accounts can be set-up via EAGLs (P-Card bank's automated system) to allow P-Card account holders and/or APCs to automatically request re-orders of C-Checks.

- *How to Write a C-Check:* The following information must be legibly entered in the space provided on the C-check. It may be typed in or printed/written in ink.
 - i. **DATE:** Enter the date on which the C-Check is prepared. Spell out the date. **DO NOT** pre-date or post-date checks.
 - ii. **PAY TO THE ORDER OF:** Enter the name of the payee, i.e., the merchant/vendor. C-Checks SHALL NOT be written for cash, or be written to the P-Card account holder.
 - iii. **AMOUNT:** Write the amount of the C-Check in the spaces provided in numbers and words followed by a horizontal line out to the end of the space provided.
 - iv. **MEMO:** Enter additional information pertinent to the purchase.
 - v. **AUTHORIZED SIGNATURE:** Sign in the space provided. The signature should be in the same format

Micro-Purchasing

C-Check (continued)

as that which is printed on the C-Check. The signer's name **MUST BE** spelled out in full.

- *Maintaining the C-Check Register:* The P-Card account holder SHALL enter each C-Check into the register when it is written. The following SHALL be written:
 - i. C-Check number
 - ii. Date Issued
 - iii. Payee
 - iv. Description of purchase
 - v. Amount of purchase.

Enter all destroyed C-Checks in the register

- *Voiding a C-Check:* If an error is made and a C-check needs to be voided, write in ink or stamp "VOID OUT" on the C-check and the carbon, over the space provided for authorized signature. Record the voided C-Check in the check register.
- *Request for Stop Payment:* If a STOP PAYMENT is necessary, immediately notify the P-Card issuing bank. (Currently Bank of America (BOA) 1-800-472-1424.)
- *Reporting Lost or Stolen C-Checks:* Immediately notify the P-Card issuing bank. (Currently BOA 1-800-472-1424) to report lost or stolen C-Checks. Also notify the APC as soon as possible. If more than two C-Checks are lost or stolen, the account will be closed, and a new account may be established. Replacement time is approximately two weeks.
- *Requesting Copies of Cancelled C-Checks:* Copies of cancelled checks may be obtained by calling the P-Card issuing bank (Currently BOA 1-800-472-1424)
- *Reconciliation Procedures:* The procedures for reconciling of C-Checks are the same as those used for reconciliation of the P-Card account holder's monthly statements of account (SOAs). Purchases utilizing C-Checks will appear on the P-Card account holder's SOA. The P-Card account holder is required to submit copies of *all* written checks and receipts

Micro-Purchasing

C-Check (continued)

with the SOA that is forwarded to FINCEN monthly. (See Note (2) below.)

- *Tracking the Balance:* All C-Check purchases and payments shall be recorded in the C-Check register furnished by the P-Card issuing bank. P-Card account holders **SHALL** track their available balance and reconcile cleared C-Checks. C-Check transactions are debited against the P-Card account holder's monthly limit when they clear the bank, not when they are written. To avoid rejection of checks for insufficient funds, P-Card account holders **SHALL** closely monitor their balance. Monthly available balances are renewed on the 20th of each month, and therefore, the P-Card account holder **SHALL** ensure the following:
 - i. That the monthly limit is large enough at all times so that even if all C-Checks clear at once, the monthly limit will not be exceeded.
 - ii. Notify their APC of any limits that may need to be reviewed because, unlike a personal checking account, unused balances do not accumulate for C-Checks.
- *Staying Within the Single/Monthly Purchase Limit:* P-Card account holders **SHALL** stay within their purchase limits when using C-Checks. C-Checks are not subject to electronic approval (swiping through an electronic authorization box) at the point of purchase/payment. Because of this, it is possible for a vendor to accept a C-Check that exceeds the P-Card account holder's purchase limits. This will result in the C-Check being **REJECTED** by the bank.
- *Security:* COCOs shall ensure that C-Checks are secured as follows:
 - i. Blank C-Checks **SHALL** be secured at all times in a locked container.
 - ii. Voided C-Checks **SHALL** be accounted for in the check register.
 - iii. C-Checks **SHALL** be made out for the exact amount.
 - iv. C-Checks **SHALL** not be made out to cash or for

Micro-Purchasing

C-Check (continued)

personal purchases.

- *Restrictions:* The following restrictions apply:
 - i. C-Checks **SHALL NOT BE WRITTEN FOR CASH OR PERSONAL PURCHASES.**
 - ii. C-Checks **SHALL NOT** be used for purchases and/or payments in excess of \$2,500 without prior written approval from the P-Card “Organization Program Coordinator” (OPC).
 - iii. P-Card Account holders **SHALL NOT EXCEED THEIR WARRANTED PROCUREMENT AUTHORITY.**
 - iv. C-Checks may not be used for the following:
 - Payments known to be delinquent under the Prompt Payment Act
 - Payments for utilities, including telephones
 - Payment for fuel unless approved by G-CFM-3
 - Bulk fuel purchase where the payment is made by DAFIS
 - Contract payments
 - Payments charged to reimbursable accounts (AFC’s 80 and 88) except payments to foreign students.
 - Transportation documents, (GBL’s and GTR’s)
 - Travel advances and travel claim payments
 - DITY move claims
 - Auxiliary claims’
 - Interservice payments to non-CG-members
 - Payment to other government agencies, e.g. DOD, FEMA
- A funding document is required when using C-Checks for purchases.

NOTES:

- (1) The current P-Card bank charges the USCG Unit 1.9 percent on the value of each C-Check written.
- (2) The timely submission of SOAs to the FINCEN is critical to the success of the P-Card program. Timely submission of SOAs allows the FINCEN to pay the P-Card issuing bank on

Micro-Purchasing

**C-Check
(continued)**

a daily basis and PREVENTS deactivation and cancellation of P-Card.

Commercial Item Acquisition

Introduction

The Federal Acquisition Streamlining Act (FASA) made some significant changes in the way the government buys. One of the major changes has been the policy that government agencies shall buy commercial items that meet agency needs.

Commercial Definition

The FAR (at 2.101(b)) defines commercial items as any item, other than real property, that is of a type customarily used for non-governmental purposes and has been sold, leased or licensed to the general public, or has been offered for sale, lease or license to the general public. The definition goes further to say items with minor modifications which do not significantly alter the nongovernmental function or essential physical characteristics of that item or component, or change the purpose of a process are commercial items. Most of the supplies and services procured by the Coast Guard using SAPs are commercial. At this time, the FAR Secretariat has determined that construction is not commercial.

Market Research

FAR Part 10 describes the requirements and procedures for conducting market research to determine whether commercial items are available to meet the government's needs. Market research is not the same as a market survey. It involves a great deal of cooperation with technical personnel to determine if commercial or non-developmental items are available or could be modified to satisfy the government's needs. Market research is not required for simplified acquisitions; however, market research is a tool that may be used for simplified acquisitions. Some tools that are available for market research are Thomas Register, public phone books, the internet, trade magazines, etc. Internet sites, which may be used for market research, are: the Commercial Advocates Forum at <http://www.cadv.org>, the Thomas Register at <http://www.thomasregister.com>, and/or the ARNET at <http://www.arnet.gov>. These tools are readily available to everyone and *may* be used to help determine if the items purchased are commercial; their use is not mandatory.

Procurement Form to Use

The SF-1449 "Solicitation/Contract/Order for Commercial Items" should be used when purchasing commercial items/services. Instructions for filling out the form are contained in Chapter 11 herein.

Commercial Item Acquisition

Procurement Form to Use (continued)

In using the SF-1449, the KO ensures that all information required by statute (i.e., NAICS, size standards, TIN's, commercial clauses etc.) is gathered and recorded on one form. This form is a simple form to use and allows the KO to use one form for solicitation, award and receipt, greatly reducing the paperwork involved.

Which Clauses to Use

To comply with commercial practices, the writers of the FAR recognized that the government needed to do away with the multitude of required clauses. For commercial item acquisition, the clauses were "streamlined" and are referenced in block (27a) and (27b) on the SF-1449. FAR 52.212-1, -2, -3, -4, and -5 are the required clauses for commercial item acquisitions. Enclosure 6 contains these clauses as of Federal Acquisition Circular (FAC) 97-27. These clauses should be checked for currency and tailored to each issued order as necessary.

How to buy Commercial Items

Follow the procedures outlined for any purchase over \$2,500 (see Chapter 7, Acquisitions up to \$25,000). The difference between buying "a commercial item" or not is the form used and the clauses included. The basic steps in procuring a commercial item are the same as listed in Chapter 4, Open Market Purchasing Overview, and Six Basic Steps to Procurement.

Streamlined Procedure

Acquisitions over \$25,000 for commercial items or services may be synopsized as a combined synopsis/solicitation. This approach will reduce PALT. This combined synopsis/solicitation procedure may only be used if text describing the requirement can be limited to 12,000 or less characters (equal to approx. 3 ½ pages). Follow the procedures in FAR 12.603 for the preparation of the synopsis notice.

Acquisitions up to \$25,000

Introduction

This section discusses in detail open market purchasing between \$2,500.01 and \$25,000.

Prior to purchasing **ANYTHING** on the open market (with commercial vendors), you must first comply with the requirements of Chapter 3, Required Sources of Supply and Services.

Acquisitions for Commercial Items **MUST** use the procedures outlined in Chapter 6, Commercial Item Acquisition, together with the procedures outlined in this chapter.

PUBLICIZING CONTRACT ACTIONS

Actions from \$10,000 to \$25,000: Actions that are expected to cost \$10,000 or more must be publicly displayed. Posting to the FedBizOpps satisfies the requirement for public display. FAR part 5.101 describes the means in which these actions are to be displayed

Documentation

Purchases in excess of the micro-purchase threshold shall be documented on form DOT F 4230.1, Simplified Acquisition Summary (Enclosure 7). The Simplified Acquisition Summary shall be signed by the KO and placed in the applicable file.

Small Business Set-Aside

See DEFINITIONS for Restricted and Unrestricted.

All acquisitions over \$2,500 and up to \$100,000 are set-aside for small businesses (see exceptions on page 7-3). In order to be eligible for set-asides, the firm must be small, as defined by size standards set by the Small Business Administration (SBA) as well as meet the definition of “small business concern” in FAR 19.001.

Determining the NAICS Code: For size standard purposes, procurements are classified in the industry whose definition best describes the principal nature of the product or services being acquired. The KO determines the NAICS codes.

Determining the Small Business Size Standard: Size standards are based on **either** a firm’s average number of employees during the pay periods for the preceding twelve months, or its average annual gross receipts for the past three fiscal years. Each NAICS code will have a size standard expressed in either “dollars of receipts” or “numbers of employees,” but not both. The size standards are located on the Internet at

<http://www.census.gov/epcd/www/naics.html>

Acquisitions up to \$25,000

Small Business Set-Aside (continued)

Each solicitation and order, oral or written, shall include the NAICS code for the acquisition and the applicable size standard.

Small Business Size Determinations: Generally, small businesses self-certify their status in the applicable provision or orally in response to telephone solicitations.

Size of Non-manufacturers or Regular Dealers: Under small business set-aside actions, a concern which submits a bid in its own name for supply type actions, but proposes to furnish a product which it did not manufacture (e.g., a small business selling General Electric parts), is deemed to be a small business if it meets the following criteria:

- Has fewer than 500 employees;
- Is primarily engaged in wholesale or retail trade;
- Represents that it will furnish the product of a small business manufacturer or obtains a waiver; and
- Represents that it will furnish the product of an end product manufactured or produced in the United States; **or**
- Represents that it will furnish a product of an end product manufactured or produced in a country subject to a Trade Agreement with the United States.

Waiver for Non-manufacturers: SBA has waived the requirement for small businesses to furnish supplies manufactured by small businesses for simplified acquisitions less than \$25,000. For acquisitions above \$25,000, SBA may waive the requirement for a vendor to furnish supplies manufactured by a small business if there are no small business manufacturers or producers in the federal market. Class waivers have been established for certain items. The list of items is available at SBA's web site at <http://www.sba.gov>. Waivers may be granted for an individual set-aside action if the KO can demonstrate that small business manufacturers or products are either not available or are unable to meet the quantity or delivery requirements of the solicitation.

A sample format for waiver requests is found at <http://www.sba.gov>
Send requests for waivers to:

Acquisitions up to \$25,000

Small Business Set-Aside (continued)

Associate Administrator for Government Contracting
U.S. Small Business Administration
Size Standards Policy Board 409 Third Street, SW.
Washington, DC 20416

Provisions and Clauses: Solicitations shall include FAR clause 52.219-1, Small Business Program Representation, for all actions in excess of the micro-purchase threshold, which will be performed in the United States, its possessions or territories, Puerto Rico and the District of Columbia. Insert the applicable NAICS Code and size standard in the blanks provided. Solicitations and resultant orders shall also include the clause at FAR 52.219-6, Notice of Total Small Business Set-Aside. Solicitations and resultant orders for commercial supplies/services shall include FAR 52.212-3, “OFFER REPRESENTATION AND CERTIFICATION-COMMERCIAL ITEMS”.

The information in the above provisions shall be included in all solicitations, whether oral or written. For oral solicitations, purchasing files shall contain evidence that this information was provided in writing (i.e. facsimile) to all vendors solicited for quotations.

Exceptions: The KO may award orders to other than small businesses if a determination is made that there is no reasonable expectation of receiving offers from two or more responsible small businesses that are competitive in terms of market prices, quality, and delivery.

If the KO solicits quotes from small businesses and receives only one quote from a small business, award should be made to that offeror, after the KO has determined that the price is reasonable.

If the KO does not receive any quotes from a small business, the set-aside shall be withdrawn and the requirement re-solicited on an unrestricted basis. If a synopsis was issued for the original requirement, it should be canceled and a new unrestricted synopsis issued.

NOTE: Contracts may still be awarded to 8(a) firms under FAR 19.8 or to an Emerging Small Business Set-aside conducted under FAR 19.1006. See “Small Business Competitiveness Demonstration Program” in this chapter.

Acquisitions up to \$25,000

Small Business Set-Aside (continued)

Documentation: If a simplified acquisition is made on an unrestricted basis, the KO must document the file with the reason for not awarding the order to a small business.

Small Business Competitiveness Demonstration Program

This program has two major components and is designed to test: (a) the unrestricted competition in four designated industry groups and (b) the enhanced small business participation in ten agency targeted industry categories.

Designated Industry Groups

The four designated industry groups are:

- Construction (excluding dredging)
- Refuse systems and related services
- Architectural and Engineering services - \$50,000
- Non-Nuclear ship repair

Solicitations for acquisitions in any of the four designated industry groups estimated greater than \$25,000 (\$50,000 for Architect and Engineering {A&E} Services) shall not be considered for small business set-asides. However, acquisitions in the four designated industry groups should continue to be considered for the 8(a) Program.

Emerging Small Business Set- Asides

Emerging Small Businesses (ESBs) are those whose size is no greater than 50 percent of the numerical size standard applicable to the NAICS code assigned to the acquisition.

Solicitations in the four designated industry groups estimated less than \$25,000 (except A&E services, which is \$50,000), shall be set-aside for ESBs if the KO determines that there is a reasonable expectation of receiving offers from two or more responsible ESBs that will be competitive in terms of market price, quality and delivery. If two such offers are not expected, the KO must document the file and proceed in accordance with small business set-aside procedures.

If the KO proceeds with the ESB set-aside and receives a quotation from only one ESB at a reasonable price, the KO shall award the order after determining the price fair and reasonable. If there are no quotes from an ESB, or the quote is not at a reasonable price, the KO shall cancel the ESB set-aside and proceed in accordance with

Acquisitions up to \$25,000

Emerging Small Business Set- Asides (continued)

small business set-aside procedures.

The face page (i.e., SF-1449, OF-347) of each award made under this program must contain a statement that the award is being issued pursuant to the Small Business Competitiveness Demonstration Program.

Provisions and Clauses: The KO shall insert, in full text, the provision at FAR 52.219-19, Small Business Concern Representation for the Small Business Competitiveness Demonstration Program, in all solicitations in the four designated industry groups. Quotations solicited orally shall convey and collect the same information.

The KO shall also include, in full text, the provision at FAR 52.219-20, “Notice of Emerging Small Business Set-Aside,” in all solicitations and resultant orders which are issued under this program.

If purchasing commercial supplies or services, use the clause at FAR 52.212-3, which includes the above provision and clause.

All actions which obligate or de-obligate funds between \$500 and \$25,000 (\$50,000 for Architectural and Engineering services) for requirements within any of the four designated industry groups shall be reported in the Contract Information System (CIS) on an Individual Contract Action Report (ICAR) (DOT 4220.11). (See Chapter 12 SAP Administration). Do not report these amounts on the SF-281 Federal Procurement Data System (FPDS) Summary Contract Action Report (\$25,000 or Less).

HUBZone

The Historically Underutilized Business Zone (HUBZone) Program was created to provide contracting assistance for qualified small business concerns located in historically underutilized business zones, in a effort to increase employment opportunities, investment, and economic development in those areas.

A HUBZone is a historically underutilized business zone, which is located within one or more qualified census tracts, qualified non-metropolitan counties, or lands within the external boundaries of an Indian reservation.

Acquisitions up to \$25,000

HUBZone (continued)

HUBZone Small Business concern is a small business concern that appears on the list of qualified HUBZone Small Business Concerns maintained by the SBA. This list is available on the Internet at <http://www.sba.gov/>, click on Offices and Services, click on HUBZone.

Procedure: The KO has the sole discretion to set aside acquisitions that exceed the micro-purchase threshold, but not the SAT for competition restricted to HUBZone Small Business Concerns, provided that the following criteria are satisfied:

1. There is a reasonable expectation that offers will be received from two or more HUBZone Small Business Concerns; and,
2. Award will be made at a fair market price.

If only one acceptable offer is received from a HUBZone Small Business Concern in response to a set aside, the KO should make an award to that concern.

If no acceptable offers are received from a HUBZone Small Business Concern, the HUBZone set-aside shall be withdrawn and the requirement, if still valid, set-aside for small business concerns, as appropriate.

HUBZone set asides **ARE NOT AUTHORIZED** for acquisitions above the SAT.

Price Evaluation Preference for HUBZone Small Business Concerns **SHALL NOT** be used for simplified acquisitions.

HUBZone non-manufacturer concerns must furnish the product of a HUBZone Small Business Concern manufacturer.

The HUBZone Program is not applicable to the following types of procurement:

Federal Prison Industries

Javits-Wagner-O'Day Act concerns

Orders under indefinite delivery contracts

Acquisitions up to \$25,000

HUBZone (continued)

Requirements currently being performed by an 8(a) participant or requirements SBA has accepted for performance under the authority of the 8(a) Program, unless SBA has consented to release the requirements from the 8(a) Program.

Micro-purchase acquisitions

Requirements for commissary or exchange resale items.

Buy American Act

Generally, simplified acquisitions are reserved for small businesses offering domestic end products, and the various U.S. trade agreements do not apply to small business set-asides. If, however, the small business set-aside is waived and offers are received for both domestic and foreign products, the buyer must evaluate offers.

Evaluate quotes from foreign suppliers as follows:

When evaluating	And	Add
a foreign quote	the low domestic quoter is a large business not in a labor surplus area	6 percent to the foreign quote
a foreign quote	the low domestic quoter is a small business or located in a labor surplus area	12 percent to the foreign quote

NOTE: When quotes are obtained orally, vendors must be informed that only domestic end products shall be acceptable, unless the price for an offered domestic end product is unreasonable.

NOTE: As required by the North American Free Trade Agreement Implementation Act (NAFTA), Canadian end products under supply contracts with an estimated value above \$25,000, and Mexican end products under supply contracts with an estimated value of \$54,372 or more, shall be evaluated without regard to the Buy American Act.

Acquisitions up to \$25,000

Competition and Price Reasonableness

KOs are required to promote competition by soliciting competitive quotations for actions above the micro-purchase threshold. Generally, quotations are solicited orally and solicitation of at least 3 sources is considered to promote competition to the maximum extent. Some factors, which influence the number of sources solicited, include:

- the nature of the article or service to be purchased and whether it is highly competitive and readily available in several makes or brands, or if it is relatively noncompetitive;
- information obtained in making recent purchases of the same or similar item;
- the urgency of the proposed purchase;
- the dollar value of the proposed purchase;
- past experience concerning specific vendors' prices

For example, the KO should consider re-soliciting on highly competitive procurements for which less than three quotes have been received.

Oral solicitation is usually the method of obtaining quotes for simplified acquisitions except:

- when a lengthy specification or statement of work is included;
- when soliciting quotes for construction actions over \$2,000 or services over \$2,500;
- when soliciting quotes for many items;
- when, after advertising in FedBizOpps, many vendors have requested to participate in the solicitation.

Written Requests for Quotations (RFQs) are generally issued on a SF-18 for supplies and services and a SF-1442 for construction requirements. You may also use the SF-1449 when soliciting quotes for commercial items. Examples of all forms are shown in Chapter 11, Forms Preparation.

Price Reasonableness

The following are price analysis techniques most commonly used in simplified acquisition. When competition is not available (e.g., for a sole source requirement), other forms of price analysis must be utilized. When three vendors are solicited for quotations and

Acquisitions up to \$25,000

Competition and Price Reasonableness (continued)

only one quote is received, the KO must make a determination that the proposed price is fair and reasonable before making award.

Competition: Comparing competitive quotes is one method for determining a proposed price to be fair and reasonable. When utilizing this price analysis technique, the prices must bear a reasonable relationship to each other. If the price variance between responses reflects a lack of adequate competition, some other form of price analysis must be used to determine the price fair and reasonable. Examples of proper and improper uses of this pricing technique are found in Enclosure 8.

Commercial Catalog/Published Price List: When relying on published prices, there must be a high degree of confidence that the price list reflects prevailing competitive rates and that the suppliers' awareness of one another's prices was as effective as direct competition in establishing those prices. Some manufacturers may use a series of catalogs with varying prices for different classes of customers, charging what they think the market will bear. Government buyers need to ask a lot of questions and document the answers. When using this method, the file should be documented with the vendors catalog date (at a minimum) or a copy of the page from the catalog that contains the published price. Examples of proper and improper uses of this pricing technique are found in Enclosure 9.

Comparing Previous Similar Buys with Current Prices: A price previously paid cannot be used to determine price reasonableness unless you know that the prior purchase was fair and reasonable. Such would be the case if the previous purchase order amount was determined reasonable by the comparison of competitive quotations.

Examples of proper and improper uses of this pricing technique are found in Enclosure 10.

Comparison with the IGE: A quoted price may be compared with the IGE when price comparisons with other previous purchases are not possible. However, do not assume that, because the quoted price is the same as or less than the government estimate, that the quoted price is reasonable. In some cases, the customer obtains an informal quote from the supplier before submitting the PR to the KO. The basis of the IGE should be determined upon acceptance of the

Acquisitions up to \$25,000

Competition and Price Reasonableness (continued)

procurement package. Examples of proper and improper uses of this pricing technique are found in Enclosure 11.

Comparison with Prices Set by Law or Regulation: The first step in this comparison technique is to obtain a copy of the rate schedule set by the applicable law or regulation. Verify that the government is being charged the correct price. Note that for utility contracts, an effective, independent regulatory body must prescribe prices. Examples of proper and improper uses of this pricing technique are found in Enclosure 12.

Best Value

The expected outcome of an acquisition that, in the government's estimation, provides the greatest overall benefit in response to the requirement. Best value is fully defined in FAR 15.1 and FAR 15.3.

The FAR allows for evaluation of factors other than price, in order to determine a best value to the government. There are two methods of accomplishing best value acquisitions. The first is the tradeoff process. This process permits tradeoffs among cost or price and non-cost factors and allows the government to accept other than the lowest price offered. This technique is desirable when issues unrelated to price may be more important than price in making an award.

The second is the lowest price technically acceptable source selection process. In this process, evaluation factors are specified in the solicitation, which includes a statement that award, is to be made on the basis of the lowest evaluated price of all technically acceptable proposals.

Process: The FAR allows the use of any of the methods described in FAR Part 15, Contracting by Negotiation. However, when using simplified acquisition procedures, formal evaluation plans, establishing a competitive range, conducting discussions, and scoring quotations are not required and **shall not be used**.

Documentation: Quotations or offers shall be evaluated on the basis established in the solicitation. Thus, if using the best value approach, evaluation factors must be included in the solicitation. When making an award decision on a best value procurement, the perceived benefit of a higher priced offer shall merit the additional amount paid, and rationale for this tradeoff shall be documented in

Acquisitions up to \$25,000

Best Value (continued)

the purchase file. An example of a best value request for quotations is included as Enclosure 13.

Purchase Orders (PO)

A PO is usually a unilateral (one party signs) document. It is the Government's offer to buy at the stated prices and under the terms and conditions contained in the order. A PO becomes a binding contract upon acceptance by the vendor, either by performance or by written acceptance. When written acceptance is obtained, the PO becomes a bilateral (both parties sign) document.

Although the administrative costs involved with issuing a PO (SF-1449 or OF-347) normally are higher than that for credit cards, BPA calls, or imprest fund/third party drafts, the primary advantage is that a purchase order, when issued as a bilateral document, provides legal rights to the Government in the event the vendor fails to perform.

Which Form to Use

A purchase order may be issued on a SF-1449 (Solicitation/Contract/Order for Commercial Items) or an OF-347 (Order for Supplies or Services). If the supplies or services are commercial and exceed the micro-purchase threshold, use the SF-1449. Otherwise, use the OF-347. In addition to using these forms for issuing purchase orders, these forms can be used for a variety of purchasing tasks. They include:

- Establishing BPAs.
- Issuing delivery orders against established contracts (e.g., Federal Supply Schedule contracts).
- Receiving and Inspection Reports. The face of the SF-1449 and the reverse of the OF 347 contain receipt/inspection information.
- Request for Quotations: The SF-1449 can be used as a solicitation document (i.e., Request for Quotations).
- Establishing SMAs.

How to Issue POs

Chapter 11, Forms Preparation, contains instructions for preparing the OF-347 and SF-1449's. For LUFS generated purchase orders, matching DTCG numbers and standard DAFIS numbers must be used (see FINCEN SOP, Chapter 12, Section D).

Acquisitions up to \$25,000

Purchase Orders (PO) (continued)

Clauses: Select the proper clauses for the acquisition. The FAR contains a matrix of clauses that may be used for specific acquisitions. The following guidance is provided to assist the KO in preparing a PO:

- **SF-1449:** See Chapter 6, Commercial Item Acquisition for clauses to be used for commercial items/services when using the SF-1449.
- **OF-347:** Appendix A to TAM 1213 lists the clauses to be used with the OF 347. Note that the clauses listed for the OF 347 are **required** by the TAM, but may not be all-inclusive.
- TAR 1252.211-90, Bar Coding Requirements, include in solicitations and orders if you are at an Inventory Control Point (ICP) and bar coding of supplies is necessary.
- 52.213-2, Invoices, **shall** be incorporated for POs authorizing an advance payment (e.g. subscription, publications)
- 52-213-3, Notice to Supplier, **shall** be incorporated for unpriced POs.

Purchases that are issued FOB Origin: This means that the Government will pay shipping as a separate charge. Do not include a separate line item for shipping; include an estimate of shipping costs in Block 20 of the SF-1449, or Block 17 of the OF-347. When shipping charges are estimated to exceed \$100, shipment will move on a Government Bill of Lading. **FOB destination shipping terms should be obtained whenever possible.**

POs with an estimated shipping cost of \$100 or more shall include the following on the face of the purchase order:

“Invoices with shipping charges in excess of \$100 must be accompanied by a certified freight bill.”

Acceptance

There are two primary ways a vendor accepts the government’s offer (purchase order). They are:

- the vendor accepts by proceeding to furnish the supplies or services
- the vendor signs and returns a copy of the purchase order.
On occasion, it will be necessary to obtain vendor acceptance of the government’s offer to buy items (a bilateral agreement).

Acquisitions up to \$25,000

Purchase Orders (PO) (continued)

Some examples of this are:

- delivery time or performance is critical;
- the purchasing activity has experienced problems with the vendor in the past;
- the order is for services, where performance is critical
- the purchasing activity has experienced problems with the vendor in the past;
- the order is for services; where performance is critical,
- the item needed is complex (not off-the-shelf) or has a long production lead-time;
- the order has special terms and conditions.

The simplest way to request the vendor to accept the PO in writing is the use of a special note, typed or stamped on the face of the PO, as follows:

**ACCEPTANCE OF THIS ORDER IS REQUIRED. SIGN
BLOCK _____ AND RETURN ONE COPY TO THE
ISSUING OFFICE INDICATED IN BLOCK _____**

The SF-1449 contains blocks that provide for acceptance by the contractor (Blocks 28, 30a, 30b and 30c). Once signed and returned by the vendor, the PO becomes a bilateral document (or contract).

Confirming Purchase Orders

In special circumstances (e.g., emergencies), the **KO** may place an oral order and follow it promptly by a written confirming PO (SF-1449 or OF-347), which obligates the funds and documents the transaction.

When the written PO is issued, it should contain the following statement:

**CONFIRMATION - DO NOT DUPLICATE. Order placed
verbally/telephonically/facsimile on
_____ (Date) with
_____ (Vendor Representative)."**

Acquisitions up to \$25,000

Options

FAR 13.106 allows the use of options in simplified acquisitions if:

- the provisions of FAR 17.2 are met, and
- the aggregate value of the acquisition with all options does not exceed the SAT.

Documentation: FAR 17.205 requires the KO to document the following in the file to justify the use of options:

- quantities or term under option;
- the notification period for exercising options and
- any limitation on option price.

A sample Determination and Findings (D&F) is included at Enclosure 14.

The KO must also make a written determination prior to exercising any option that exercise of the option is in accordance with the terms of the option and meets the following requirements:

- funds are available
- the requirements covered by the option fulfills and existing government need.
- the exercise of the option is the most advantageous method of fulfilling the Government's needs, price and other factors considered
- the option was synopsized (if required);

A sample D&F is included at Enclosure 15.

Options are appropriate when a known quantity of items or services is required, and it is anticipated that the item or service will be required in the future. Typically, solicitations are issued for the known requirement (base quantity) with options for the future requirements (option quantities).

An example of an RFQ issued for a base quantity and option quantities is included at Enclosure 16.

Synopsis Requirements: If the total estimate of the base quantity plus the options exceeds \$25,000, synopsize the requirement in the FedBizOpps web site. Options under \$25,000 are not required to be synopsized, however, options over \$25,000 must be synopsized when exercised if the original synopsis did not include the option

Acquisitions up to \$25,000

Options (continued)

quantities.

Evaluation: Evaluation criteria for options must be included in all solicitations with options, and option pricing should be evaluated along with the required base quantity pricing prior to contract award. The objective of this evaluation is to determine option prices to be fair and reasonable at the time of basic contract award. FAR clause 52.217-5 applies.

Clauses: Several clauses are required when incorporating options in purchases. They are discussed fully in FAR 17.208. Appendix A to TAM 1213 includes provisions for the clauses used for options. Note that the clauses for options for supplies differ from the clauses for options for services. A listing of option clauses and their use is included as Enclosure 17.

When to Exercise Options: Vendor notification of intent to exercise options is required prior to exercise of either supplies or services. Notice of intent to exercise an option is NOT the option exercise, and DOES NOT obligate the Government to exercise the option. The time period for notification is set forth below. Notification is accomplished via a letter from the KO stating intent to exercise. A sample letter is provided at Enclosure 18.

Services: The clause for options for services (FAR 52.217-9) contains a notification period (at least 60 days) that the government must give the contractor of intent to exercise the option. The clause also requires a fill-in for the time period in which the KO has to exercise the option. Options for services are generally exercised prior to or on the first day of the Option Period. Due to the budget process of the United States, many times the Coast Guard appropriation is not available on the first day of a fiscal year. For this reason, most Options for services are exercised subject to the availability of funds.

FAR Clause 52.232-18, Availability of Funds, must be included in the basic contract. Once Congress passes the appropriation, the funding is provided via a SF-30. Examples of these two documents are included as Enclosures 19 and 20.

Supplies: The clause for options for supplies also contains a fill-in for the KO to indicate the time that the government will exercise the option for additional quantities. When using this clause, the

Acquisitions up to \$25,000

Options (continued)

delivery requirements of the order should be considered.

Unpriced Purchase Orders

An unpriced PO is one for supplies or services for which the price is not established at the time the order is placed. Examples of when an unpriced purchase order should be used are:

- It is impractical to obtain pricing in advance;
- An unpriced item is available from only one source and the cost cannot be readily established; Prices are known to be competitive but exact prices are unknown; or
- Requirement is for repairs requiring disassembly to determine the nature and extent of repairs.

Unpriced orders are generally used for repairs. In some cases, it may be necessary to issue a PO for a vendor to tear down and inspect equipment before a quote can be given for repair (commonly referred to as “teardown and quote” (TD&Q)). In this instance, obtain a quote from the vendor to tear down the equipment and provide a quote for repairs. If the quote is reasonable, issue PO for the NTE amount of the quote, or issue a fixed-price modification to the PO for the TD&Q.

All unpriced orders must have a realistic monetary limit, either for each line item, or for the total order (per FAR 13.302-2(c)).

Include the FAR Clause 52.213-3, Notice to Supplier, in full text on the face of the PO. This clause instructs the contractor to notify the KO if the work cannot be completed for the NTE price. The contractor is also required to furnish a quote for completion of the work with this notification. The KO must then make a determination that the new quote is reasonable. If the price is not reasonable, if funds are not available, or if the cost of repairs exceeds the threshold where replacement is warranted the KO may then cancel the order. If the price is reasonable, the KO modifies the order, indicating that the order is now a firm fixed-price order, reflecting the revised quote. If, however, the work can be completed within the NTE price, the contractor completes the work and submits an invoice to the KO. POs must be properly prepared to indicate that the invoice must be submitted to the KO and NOT the FINCEN. Since this is the case, the order is issued as a doc type 24 and the instrument code is “N” in keeping

Acquisitions up to \$25,000

Unpriced Purchase Orders (continued)

with FINCEN invoice payment procedures.

The final step the KO, or designee, makes is to review the invoice. If reasonable, the invoice is processed for payment using the KO approval form, Enclosure (2) to Coast Guard Acquisition Procedures (CGAP), COMDTINST M4200.19 (series).

The SF-44 is a multipurpose form providing, in one document, a purchase order, a receiving report, the vendor's invoice, and a payment voucher. For general use and restrictions of this type of purchase order, refer to Chapter 5, Micro-Purchasing.

The SF-44 may not be used to purchase construction over \$2,000.

The SF-44 may only be used for purchases not exceeding the micro-purchase threshold except for the purchase of fuel and oil for Coast Guard aircraft and vessels. For those purchases, the limit is \$25,000. A KO must appoint persons using the SF-44 in writing.

The SF-44 is the least preferred form to use for this purpose and should only be used if the other prescribed forms (SF-1449 or OF-347) are not practicable.

Delivery orders are prepared on OF-347's against existing contracts. It is common nomenclature to call an order for supplies a Delivery Order and an order for services a Task Order.

Blanket Purchase Agreement

BPAs are written agreements established by a KO. BPAs may be issued on a SF-1449 or an OF-347. BPAs are appropriate to use when a unit has a need for a variety of items, but the exact quantity cannot be predicted. BPAs are similar to "charge accounts" in that the terms and conditions of any transactions are established (by the BPA), and calls are placed against the BPA by individuals authorized by the KO. The BPA is administratively efficient because (1) oral (not written) calls are placed and (2) invoices are paid monthly rather than for each transaction.

The BPA is not issued with any accounting data. There is no obligation on the Government to order against the BPA and

Acquisitions up to \$25,000

Blanket Purchase Agreement (continued)

likewise no obligation on the vendor to accept any calls. The calls placed against the BPA are the POs, and until a vendor accepts an order by performing, a contract does not exist.

BPAs should be established with more than one supplier for a class of items. BPA calls are to be rotated among qualified suppliers. BPA calls in excess of the micro-purchase threshold must be supported by (1) evidence of competitive quotations, or (2) a price reasonableness determination.

Establishing a BPA. The FAR requires specific data in BPAs, as follows:

- A description of the supplies/services to be purchased;
- The names of the individuals authorized to place calls under the BPA, and their per call dollar limitation;
- The maximum dollar amount for each individual purchase; of authorized purchases made under the BPA;
- A statement that the government is obligated only to the extent of authorized purchases made under the BPA.
- A statement that the price to the Government shall be as low as or lower than those charged the supplier's most favored customer for comparable quantities under similar terms and conditions, in addition to any discounts for prompt payment;
- A requirement that all shipments under the BPA be accompanied by delivery tickets or sales slips which shall contain the following minimum information:
 - (1) Name of supplier
 - (2) BPA number;
 - (3) Date of purchase;
 - (4) Purchase (call) number;
 - (5) Itemized list of supplies or services furnished;
 - (6) Quantity, unit price and extended price of each item, less applicable discounts; and
 - (7) Date of delivery or shipment.
 - (8) Requirement that the supplier submit a summary invoice at least monthly, for all deliveries made during the billing period, identify the delivery tickets covered, their dollar value and supported by receipt copies of delivery tickets.

A sample BPA is provided as Enclosure 3.

Acquisitions up to \$25,000

Blanket Purchase Agreement (continued)

Pre-priced BPAs: In cases where BPAs can be pre-priced, the KO must first determine that the prices are fair and reasonable marking the price list “Approved” and signing the list of pre-priced items. Coast Guard pre-priced BPAs must contain the following statement:

“THE CONTRACTOR AGREES TO FURNISH PRICE CHANGES TO THE CONTRACTING OFFICER AT LEAST _____ DAYS (10 days unless the Contracting Officer specifies another time frame) PRIOR TO THE EFFECTIVE DATE OF THE PRICE CHANGE.”

Ordering offices shall not negotiate prices. Only items on the approved price list may be purchased.

Placing BPA Calls: Since BPAs do not contain accounting data, some method of funds certification must be accomplished. A funded PR is generally used for this purpose, however, units may use the bulk-funding concept under the following conditions:

- The KO receives authorization from an ACO for a specific amount for a specified purpose for a specified time. This may be accomplished with a funded PR for a lump sum of funds.
- The amount of each BPA call is deducted from the authorized funded amount.
- BPA calls do not exceed the authorized funded amount.
- BPA call record sheets shall cite the correct accounting data

All orders placed under a BPA should be numbered sequentially. Generally, the BPA number is designated, followed by a serial number.

When placing a BPA call, identify yourself to the supplier and provide the following information:

- BPA number and call number;
- items ordered;
- unit price, total price, established by the BPA, if applicable;
- point of contract; and
- time and place of delivery.

Acquisitions up to \$25,000

Blanket Purchase Agreement (continued)

BPA call records shall be maintained. The BPA call record shall include:

- call number;
- date of call;
- items or services ordered;
- price, delivery date; and
- accounting data.

A sample BPA call record sheet is provided as Enclosure 5.

BPA Invoices/Payment: As stated above, the vendor submits a monthly, summary invoice directly to the FINCEN. The summary invoice must contain the following information:

- delivery tickets covered and their dollar value, and
- supported by a delivery ticket or sales slip with a Coast Guard signature indicating that the material has been received.

The Contracting Officer must submit a copy of each sales slip or delivery ticket with the monthly call sheet to the FINCEN for obligation and receipt purposes when hard copies are used. When using LUFS generated forms, electronic call sheets without delivery or sales slips can be submitted.

BPA Reviews: There are two reviews required for BPAs. They are:

Annual Review of BPA by Issuing Contracting Officer. The contracting officer that entered into the BPA is required to review each BPA annually, and update, as necessary. For Coast Guard BPAs, this review will be considered accomplished when the BPA is renewed. At that time, the contracting officer should consider changes in market conditions, which may have an affect on the BPA (i.e. pricing and new suppliers of the class of items). If necessary, the contracting officer should establish additional BPAs for similar commodities and ensure reissued BPAs are adequately updated.

Annual Review of BPA Calls by Issuing Contracting Officer. The contracting officer or designated representative, must annually review a sample of BPA calls placed under BPAs. The review should ensure that:

Acquisitions up to \$25,000

Blanket Purchase Agreement (continued)

- calls are rotated among qualified suppliers;
- authorized callers have not exceeded their call authority;
- BPA call logs are properly maintained;
- invoices are properly supported and timely submitted for payment; and
- requirements are not “split” in order to permit purchasing within caller’s authority

The KO shall maintain evidence of these reviews.

NOTE: Micro-purchase BPA calls: Non-warranted individuals are designated as BPA callers in amounts NTE the Micro-Purchase Limit (\$2,500), or \$2,000 for construction. Only KOs may place BPA calls in excess of the micro-purchase limit.

Using P-Cards and C-Checks for Payment on BPAs

P-Card and C-Checks may be used to make payment on BPAs under the following conditions:

1. Continue to establish BPAs IAW FAR 13.303, USCG Simplified Acquisition Handbook, except;
2. If the Contracting Officer determines that orders against a BPA are to be paid using a P-Card or C-Checks, **THE BPA SHALL NOT BE “BULK FUNDED” WITH A PURCHASE REQUEST TO CREATE A “DRAW-DOWN” FUNDING APPROACH.** Instead, the BPA shall incorporate the following information to the vendor:

a. **The following applies to the OF 347:**

- | | |
|------------------|--|
| <u>Block 3:</u> | Leave Blank |
| <u>Block 4:</u> | Insert 32, Fiscal Year, Region, Program Element and sequential number (e.g.,32006PE020) to indicate a P-Card/C-Check Charge. |
| <u>Block 9:</u> | <u>DO NOT</u> include any DAFIS accounting data. |
| <u>Block 17:</u> | <u>DO NOT</u> include any DAFIS accounting data. |
| <u>Block 17:</u> | Buyer inserts the following language. BPA’s may be established for payment either by P- Card or C- Check, but not both. |

Acquisitions up to \$25,000

Using P-Cards and C-Checks for Payment on BPAs (continued)

Inserted by the buyer as applicable:

“NOTICE TO VENDOR:

BILLING VIA PURCHASE CARD:

PAYMENT WILL BE MADE USING A
GOVERNMENT PURCHASE CARD. SUBMIT
MONTHLY INVOICES AS FOLLOWS.

**INSERT ADDRESS WHERE INVOICE IS TO BE
SUBMITTED. DO NOT INSERT USCG FINANCE CENTER
ADDRESS WHEN PAYING WITH P-CARD.”**

or

“NOTICE TO VENDOR:

BILLING VIA CONVENIENCE CHECK:

BILLING SHALL BE MONTHLY IN ARREARS.
PAYMENT WILL BE MADE USING A
GOVERNMENT CONVENIENCE CHECK. A
SUMMARY INVOICE SHALL BE SUBMITTED A
LEAST MONTHLY FOR ALL DELIVERIES
MADE DURING A BILLING PERIOD,
IDENTIFYING THE DELIVERY TICKETS
COVERED THEREIN, STATING THEIR TOTAL
DOLLAR VALUE AND SUPPORTED BY
RECEIPTED COPIES OF DELIVERY TICKETS.
INVOICES SHALL BE SUBMITTED TO THE
FOLLOWING ADDRESS:

**INSERT ADDRESS WHERE INVOICE IS TO
BE SUBMITTED. DO NOT INSERT USCG
FINANCE CENTER ADDRESS WHEN PAYING
WITH C-CHECK.”**

b. The following applies to the SF-1449:

Block 1: Insert 32, Fiscal Year, Region,
Program Element and sequential
number (e.g., 32006PE020) to
indicate a P-Card/C-Check Charge.

Acquisitions up to \$25,000

Using P-Cards and C-Checks for Payment on BPAs (continued))

Block 4: Leave Blank
Block 18a: **INSERT ADDRESS IN BLOCK
18a WHERE INVOICE IS TO BE
SUBMITTED. DO NOT INSERT
USCG FINANCE CENTER
ADDRESS WHEN PAYING WITH
P-CARD OR C-CHECK.**

Block 19: **DO NOT** include any DAFIS
accounting data.

Block 19 or on continuation pages: Buyers insert the
following language. BPA's may be
established for payment **either** by P-
Card **or** C-Check, **but not both.**

Inserted by the buyer as applicable:

“NOTICE TO VENDOR:

BILLING VIA PURCHASE CARD:
PAYMENT WILL BE MADE USING A
GOVERNMENT PURCHASE CARD. SUBMIT
MONTHLY INVOICES AS FOLLOWS:

**INSERT ADDRESS WHERE INVOICE IS TO
BE SUBMITTED. DO NOT INSERT US CG
FINANCE CENTER ADDRESS WHEN PAYING
WITH P-CARD.**

or

“NOTICE TO VENDOR:

BILLING VIA CONVENIENCE CHECK:
BILLING SHALL BE MONTHLY IN ARREARS.
PAYMENT WILL BE MADE USING A
GOVERNMENT CONVENIENCE CHECK. A
SUMMARY INVOICE SHALL BE SUBMITTED
AT LEAST MONTHLY FOR ALL DELIVERIES
MADE DURING A BILLING PERIOD,
IDENTIFYING THE DELIVERY TICKETS

Acquisitions up to \$25,000

Using P-Cards and C-Checks for Payment on BPAs (continued)

COVERED THEREIN, STATING THEIR TOTAL DOLLAR VALUE AND SUPPORTED BY RECEIPTED COPIES OF DELIVERY TICKETS. INVOICES SHALL BE SUBMITTED TO THE FOLLOWING ADDRESS:

INSERT ADDRESS WHERE INVOICE IS TO BE SUBMITTED. DO NOT INSERT USCG FINANCE CENTER ADDRESS WHEN PAYING WITH C-CHECK.

Block 25: **DO NOT** include any DAFIS accounting data.

- c. The following applies to the payment of BPA's.

Payment by P-Card: When payment is accomplished via P-Card, payment will be made by the P-Card issuing bank, and the FINCEN will pay the P-Card issuing bank on a daily basis. On a monthly basis, the contractor shall submit an invoice to the Contracting Officer.

The P-Cardholder is responsible for reconciling the vendor invoices with the monthly Statement of Account in accordance with currently established P-Card procedures. P-Cards may be used for payment on BPAs with Call Limits of up to the simplified acquisition threshold, or \$100,000 or less.

Payment by C-Check: When payment is accomplished via C-Check, the vendor will submit an invoice to the Ordering Officer. The P-Cardholder who placed the order shall verify invoice information and prepare and send a check in payment on a monthly basis. Procurement Requests are **NOT USED** when paying by C-Check. C-Checks may only be used for payment on BPAs with Call Limits within the micro purchase threshold, or \$2,500.00 or less, \$2,000 or less for construction orders.

Acquisitions up to \$25,000

Using P-Cards and C-Checks for Payment on BPAs (continued)

Payment via the P-Card is the preferred method above C-Checks since the P-Card issuing bank charges a fee of 1.9% of the value of each check written. Vendors may be encouraged to use the P-Card since payment is accomplished on a daily basis.

DO NOT send copies of BPAs that are established for payment by P-Card or C-Check to the USCG Finance Center. Also, **DO NOT** send copies of orders or invoices placed and/or received against such BPAs. This will eliminate the risk of double billing/double payment.

3. **BPA's MAY BE ESTABLISHED FOR MULTIPLE YEARS.** Accordingly, multiple year BPA's shall contain the Following language:

“This BPA shall remain in full force and effect until cancellation in writing by either party.”

4. USCG P-Cardholders **SHALL NOT EXCEED THEIR WARRANTED PROCUREMENT AUTHORITY.**

Service Maintenance Agreements

The P-Card may be utilized as a payment tool for service maintenance agreements (e.g. cellular phones, cable TV, pagers, copiers, etc.). As with any other service maintenance agreement, a written document must be established by a KO using a SF-1449 or an OF-347. KO's shall ensure that all required FAR clauses and provisions are incorporated into the document, including appropriate Service Contract Act clauses and any applicable wage determination from the Department of Labor (DOL). The document shall be completed as follows (Block numbers below refer to the OF-347):

- Block 3, leave blank.
- Block 4, insert 32, FY, Region, PE, and sequential number (e.g. 32-99-6PE020) to indicate credit card charge,
- Block 9, do not include accounting data.
- Block 17, insert,

Acquisitions up to \$25,000

Service Maintenance Agreements (continued)

**“BILLING TO BE MONTHLY IN ARREARS. PAYMENT
WILL BE MADE USING THE GOVERNMENTWIDE
COMMERCIAL PURCHASE CARD.”**

- Block 32, insert the unit address for payment.

Notes:

1. Use P-Card payment procedures only when vendors agree to bill monthly in arrears. Do not use the FINCEN address in Block 21 or mail copies of the agreements to the FINCEN. Payments for these agreements will show on the PES report as direct charges and as Document Type 32 vice Document Type 23.
2. Under no circumstances should specific information from the credit card (i.e., credit card account number) be placed on the service/maintenance agreement. After receipt of the monthly invoice, cardholders may then provide their P-Card over the counter or provide the credit card number over the phone in accordance with local contracting procedures. Cardholders shall not charge payment for supplies/services until the end of the month for which the supplies/services were received. Cardholders shall attach invoices for all maintenance agreements to monthly statements submitted to FINCEN.
3. SMA's not using P-Card payment procedures should be prepared IAW the FINCEN SOP.

Notes for Cellular telephone SMA's: Cellular telephone invoices require certification:

**“THE SERVICES BILLED HEREIN HAVE BEEN
RECEIVED FOR THE PERIOD INDICATED.”**

Charges for personal calls shall be collected with an additional 3% Federal Excise Tax and forwarded to the appropriate collection point/lockbox. **See FINCEN SOP.**

Acquisitions Above \$25,000

Introduction

This section explains the additional administrative requirements for procurement actions between \$25,000 and \$100,000. A significant difference between requirements for procurements under \$25,000, and those for procurements over \$25,000 is the notification requirement.

Federal Business Opportunities (FedBizOpps) is a single point of entry on the internet wherein vendors can access information needed to bid on government requirements over \$25,000. This website was formerly known as the Electronic Posting System “EPS). The Internet site is <http://www.fedbizops.gov>

Reporting Contract Actions

Procurement actions placed that exceed \$25,000 must be reported to the DOT, this includes orders placed against GSA or other federal agency schedules and contracts. In addition, any modifications or cancellations of these orders must also be reported. DOT uses the Contract Information System (CIS) to capture data about individual contract/procurement actions \$25,000 or greater.

Preparation of Report Forms: Information on completing the CIS Form (DOT-F-4220.11) (Revised 06/01) is available on the DOT website: <http://www.dot.gov/ost/m60>. This site offers instructions to assist KO’s in completing the form.

PUBLICIZING CONTRACT ACTIONS

Actions of \$25,001 to \$100,000: Actions that are expected to exceed \$25,000 must be synopsisized via the GPE as described in FAR Part 5.207, unless the action falls into one of the exception categories listed in FAR 5.202. If one of these exceptions applies, the KO shall document the file. **NOTE: Sole Source actions are not an exception listed under FAR 5.202.** These actions must be synopsisized prior to issuance of the solicitation for the time periods indicated in FAR 5.203. Award of contracts/orders over \$25,000 that may result in subcontracts must also be synopsisized. See FAR 5.301 for detailed information.

Publicizing Contract Actions

Preparing the synopsis: Prepare the synopsis following the procedures at FAR 5.207. In addition, the financial assistance programs must be included in the synopsis. This requirement may be found in the TAM 1205.207.17.

Acquisitions Above \$25,000

Publicizing Contract Actions (continued)

Combined Synopsis/Solicitations: The use of the combined synopsis/solicitation procedure described in FAR 5.203 (b) and 12.603 is highly encouraged when purchasing commercial items/services. This procedure will greatly reduce lead time, and satisfy requirements for commercial items or services in the quickest manner possible.

Submitting your synopsis: Submit the synopsis to the GPE using the Internet. The Internet address for entering a synopsis is <http://www.fedbizops.gov>.

Preliminary Requirements

To obtain a FedBizOpps account, contact the Commandant (G-CPM) Program Manager. Provide an address and P-Card information. The address is a permanent street address for the buying activity and cannot be altered. The P-Card information is limited to the account number and the name of the holder.

Submitting Synopsis Electronically

The FBO Government Manual provides instructions for posting synopses and solicitation documents to the GPE. This manual may be found at the FBO web site under the Government Buyers link. The web site is: <http://www.fedbizops.gov>. Click on 'FBO for Government Buyers', click on "FBO Government Buyers Manual". In addition to the manual, this web site has a Frequently Asked Questions link.

Important Notes for Electronic GPE Submission

Note 1: There is a charge for each synopsis submitted.

Note 2: Posting should take no more than 20 minutes. If posting is not evident within one hour, contact the FBO Help Desk at (877) 472-3779.

Note 3: Electronic submissions are case sensitive. The following GPE fields cannot be entered in all capital letters: Point of Contact, Office Address, Description, and Awardee.

Note 4: Record the number of the notice for future reference and tracking.

Special Procurement Categories

Introduction

This chapter will describe actions, which are not routine. They include: Small Business 8(a) contracting, MIPRs, the purchase of recovered material, Inter-Agency Support Agreements (ISSAs), Husbanding Agent Contracts, Construction Contracting, Service Contracting and contracting through the NISH.

Small Business Administration 8(a) Contracting

The Coast Guard is part of a DOT Procurement Reinvention Experiment, which permits simplified acquisitions under the Small Business Administration's 8(a) Program. The experiment further allows Coast Guard KO's (if delegated by their COCO) to enter directly into contracts with eligible firms, without SBA signing as the prime contractor. A waiver may be required to be released from an 8(a) program for ongoing recurring needs. For information, contact the COCO or the Coast Guard Small Business Program Manager, and FAR 19.8.

Husbanding Agent Contracts

Husbanding Agent (HA) contracts are multi-year contracts issued by the Navy (FISC Norfolk, FISC San Diego and NRCC Naples) for port services in foreign ports. These contracts provide for standard services and prices for military ships visiting various ports-of-call.

Contracts are established with a HA (ship's chandler) permitting visiting vessels to obtain services under a delivery order type contract and provides guidance for shipping and receiving of supplies. Prices are pre-negotiated based upon vessel size and alleviate the unit from negotiating its own terms. The HA serves as the unit's POC for all in-port services and provides guidance for shipping and receiving of supplies.

Points of Contact:

FISC Norfolk: (757) 443-1437

Area covered: Caribbean, South America

Internet address:

<http://www.nor.fisc.navy.mil/Contracts/Default.htm>

FISC San Diego: (619) 532-2562

Area covered: Western Pacific

Internet Address:

<http://www.sd.fisc.navy.mil/>, click on 'Husbanding Contracts'.

NRCC Naples: 011-39-81-724-4117; 4118

Area covered: Europe

Special Procurement Categories

Husbanding Agent Contracts (continued)

Internet address: <http://www.naples.navy.mil/nrec/>, click on 'CRAFT' (Cost Reporting, Analysis, and Forecasting Tool).

Procedures: With a copy of the contract for reference, request the specified HA in a LOGREQ to the supporting Defense Attaché Office of the Embassy for the host country. Specific requirements should be communicated requesting services to be provided under USN Contract No. _____. Specify in the LOGREQ services and supplies required. Upon arrival, meet with the HA to discuss your requirements and confirm the prices to be charged. Anticipate obtaining agreement on the vessel size, delivery requirements (e.g., remove trash daily, etc.), and settlement for services.

MIPRs, Inter- Agency Support Agreements, Intra- Agency Support Agreements (ISSAs), MOUs MOAs

Most of these types of instruments are covered in Part 17 of the FAR, with the exception of MOU's and MOA's. If any of these documents involves the exchange of funds (except for host/tenant agreements), a warranted KO whose authority meets or exceeds the estimate/dollar amount of the document must sign them. Coast Guard procedures for processing these documents are contained in Coast Guard Acquisition Procedures (CGAP), COMDTINST M4200.19 (series), Part 1217.5.

MOUs and MOAs are programmatic agreements, which, though sometimes calling for an interagency acquisition to implement the agreement, are not the contractual instruments under which a requesting agency obtains requirements from a servicing agency. A designated KO should sign any MOU or MOA, which calls for an interagency acquisition.

There are three general categories for these instruments:

- Those subject to the Economy Act which require a D&F (see Enclosure 21 for a sample D&F).
- Host/tenant type agreements.
- Other. This includes instruments issued pursuant to specific statutory authority.

NOTE: All D&F's shall be signed by a COCO level I or II.

Special Procurement Categories

Construction Contracting

Construction contracting includes construction, alteration or repair, including painting and decorating, of public buildings and public works. Included in this definition are improvements of all types, such as bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewer mains, power lines, cemeteries, pumping stations, railways, airport facilities, terminals, docks, piers, wharves, ways.

Lighthouses, fencing, buoys, jetties, breakwaters, levees, canals, and channels.

Construction contracts in excess of \$2,000 must be issued on an Order for Supplies or Services (OF 347), or Solicitation, Offer, and Award (Construction, Alteration, or Repair)(SF-1442). These requirements are subject to the Davis-Bacon Act and the FAR requires all solicitations for construction be issued in writing (SF-18, Request for Quotations or SF-1442, Solicitation, Offer, and Award (Construction, Alteration, or Repair).

NOTE: At this time, construction has not been determined to be commercial; therefore, the SF-1449 shall not be used for construction purchases.

The KO must ensure that the appropriate wage determinations and required clauses are incorporated into simplified acquisition solicitations and awards for construction over \$2,000.

The Davis-Bacon Act was designed to prevent federal construction funds from being used to depress local wage standards. A key provision of the statute was that the rate of wages for all laborers and mechanics employed by a contractor or subcontractor shall not be less than the prevailing wage rate for work of a similar nature in the area in which the contract is performed. The DOL makes the determination of the prevailing wage rates and publishes them weekly. A subscription to the GPO publication entitled “General Wage Determinations Issued Under the Davis-Bacon and Related Acts” can be obtained by contacting:

Special Procurement Categories

Construction Contracting (continued)

Superintendent of Documents
U.S. Government Printing Office
Washington, DC 20402

Davis-Bacon Act (DBA) wage rates are available via an on-line service through National Technical Information Services (NTIS) for designated Coast Guard contracting offices which manage construction. For those authorized Coast Guard offices, the DBA wage determinations at the NTIS <http://davisbacon.fedworld.gov> are posted at <http://cgweb.comdt.uscg.mil/G-CFP/g-cpm/procure/labor/davisbacon.htm>. In addition to the NTIS site for on-line DBA wage determinations, the Government Printing Office (GPO) website was designated by DOL in March 2001 as another official site to obtain DBA wage determinations. Features for retrieval are not the same at both sites, however, any one may use the Government Printing Office (GPO) website which is: <http://www.access.gpo.gov/davisbacon>.

Due to the requirements of the Davis Bacon Act, as well as many other clauses required for construction actions, additional training is required in order to be granted Contracting Officer authority for construction, which is discussed in the Contracting Officer Warrant Program, Enclosure (24) of the Coast Guard Acquisition Procedures (CGAP), COMDTINST M4200.19 (series).

Construction actions above \$2,000 are not permitted using micro-purchase authority.

Service Contracting

A service contract is one which calls for a contractor's time and effort *performing services* rather than an end item of supply. A service contract in excess of \$2,500 must be issued on a purchase order (SF-1449 or OF-347) after receiving quotes on a SF-18 or a SF-1449.

NOTE: Personal services contracts are those in, which contractor personnel are managed by a Government employee. Personal services contracts must be authorized by specific statutory authority.

The McNamera-O'Hara Service Contract Act of 1965, provides that the Secretary of Labor shall determine the minimum wages and fringe benefits to be paid "service employees" working under federal contracts in excess of \$2,500. Wage levels vary by type of service and by locality. The wage determination is made part of the

Special Procurement Categories

Service Contracting (continued)

order, and the contractor and any subcontractor are obliged to comply with it. Therefore, the buyer or KO must obtain from the DOL, prior to the award of a service contract, the determination of prevailing wages for the locality in which the contract is to be performed.

The purchasing agent must obtain wage determinations for an anticipated service contract by filing a completed copy of SF-98, “Notice of Intention to Make a Service Contract and Response to Notice”, and SF-98a. Instructions for completing the SF-98 are included in Chapter 11, “Forms Preparation” for those who are not authorized to use the NTIS’s SCA wage determinations on-line service at <http://servicecontract.fedworld.gov/>. Only authorized Coast Guard users may use the wage determinations from the NTIS website. Wage determinations may be obtained on-line from NTIS by authorized contracting offices at <http://cgweb.comdt.uscg.mil/G-CFP/g-cpm/procure/labor/service.htm>, the User’s Manual guidance must be followed when completing the SF-98s. The instructions for training and the COCO certification are provided at the G-CPM web site in this paragraph for authorized users. Each COCO must provide all updates/changes of trained /certified personnel to the official listing of authorized users, via e-mail to G-CPM: kstrouss@comdt.uscg.mil, before any user may retrieve the SCA wage determinations. Failure to provide the certified names to G-CPM may result in adverse actions by DOL.

If, in an emergency procurement (for example environmental clean-up), it is impossible to obtain the wage determination from DOL prior to award, ensure that the contractor knows the SCA applies, and that the contractor is paying prevailing labor rates for the area. Upon receiving the wage determination from DOL, modify the purchase order to incorporate the wage rates with a bilateral agreement. In some cases, it may be necessary to increase the amount of the purchase order to accommodate the payment of those rates. A sample SF-30 incorporating a wage determination is included at Enclosure 22.

For service contracts over \$2,500, the contracting officer must include:

Special Procurement Categories

Service Contracting (continued)

- FAR 52.222-41, SERVICE CONTRACT ACT OF 1965, AS AMENDED (MAY 1989) and
- FAR 52.222-42, STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989).
- FAR 52.222-43, FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT - PRICE ADJUSTMENT *(MULTIPLE YEAR AND OPTION CONTRACTS) is required when orders issued will include option periods.

When a service contract will be performed in a state that has an unemployment rate in excess of the national rate of unemployment, see Chapter 7.

At the time of the award, the KO must furnish the contractor with the DOL Publication WH-1313, Notice to Employees Working on Government Contracts, for posting at a prominent place at the work site before performance of work.

When making an award for services, obtain the contractor's corporate status and tax identification number (TIN) and write it on the award page of the PO or contract. This is for IRS reporting as required by FAR 4.9. See IRS reporting section in Chapter 4, Open Market Purchasing Overview.

Architect Engineering Services (A&E)

FAR Part 36 describes procedures to be followed when acquiring architect/engineering services not expected to exceed the SAT. COCO Level I activities are not authorized to procure A/E services, unless specifically designated by the HCA.

NOTE: Refer to Coast Guard Acquisition Procedures (CGAP), COMDTINST M4200.19 (series), for specific authority as related to contracting for A/E services.

Contracting with the National Industries for the Blind/Severely Disabled (NIB/NISH)

Prior to purchasing anything on the open market, KO's must first attempt to locate the desired supply or service from one of the mandatory sources listed in Chapter 3, Sources of Supply and Services. The first priority for purchasing services is from the Committee for Purchase from People Who Are Blind or Severely Disabled.

This source is the fourth in priority order for supplies. The Committee for Purchase from People Who Are Blind or Severely

Special Procurement Categories

Contracting with the National Industries for the Blind/Severely Disabled (NIB/NISH) (continued)

Disabled maintains a Procurement List. A copy of this list is available from the Committee by calling (703) 603-7740 or is available on-line at <http://www.nish.org>. A copy may be requested by writing to:

National Industries for the Blind
1091 N. Beauregard St., Suite 200
Alexandria, VA 22311-1727
(703) 998-0770

or

NISH
2235 Cedar Lane
Vienna, VA 22182-5200
(703) 560-6800

Check to determine whether the supply or service being purchased is on the list. If the supply or service is not on the list, then the Committee is not a mandatory source. Contact the Committee for procedures to add supplies to the list.

Affirmative Procurement for Recovered Materials

EPA Designated Products: As part of its continuing program to promote the use of recovered materials, the Environmental Protection Agency (EPA) has issued “Comprehensive Guidelines for Procurement of Products Containing Recovered Materials” (CPG) to designate recycled-content products in various product categories. The CPG implements section 6002 of the Resource Conservation and Recovery Act (RCRA), which requires the EPA to designate products that are or can be produced with recovered materials and to recommend practices for the procurement of designated products by procuring agencies. Once the EPA designates a product, RCRA requires any federal agency procuring that product to purchase it with the highest percentage of recovered materials practicable. At present, there are 54 designated products listed in the CPG, as follows:

- **PAPER AND PAPER PRODUCTS**
- **VEHICLE PRODUCTS**
 - Engine coolants
 - Re-fined lubricating oil
 - Retread tires

Special Procurement Categories

Affirmative Procurement for Recovered Materials (continued)

- CONSTRUCTION PRODUCTS
 - Building insulation products
 - Carpet
 - Carpet cushion
 - Cement & concrete containing coal fly ash
 - Cement & concrete containing granulated blast furnace slag
 - Consolidated & reprocessed latex paint
 - Floor tiles
 - Flowable fill
 - Laminated paperboard
 - Patio blocks
 - Railroad grade crossings surfaces
 - Shower & restroom dividers and partitions
 - Structural fiberboard
- TRANSPORTATION PRODUCTS
 - Channelizers
 - Delineators
 - Flexible delineators
 - Parking stops
 - Traffic barricades
 - Traffic cones
- PARK AND RECREATION PRODUCTS
 - Park benches and picnic tables
 - Playground equipment
 - Plastic fencing
 - Playground surfaces
 - Running tracks
- LANDSCAPING PRODUCTS
 - Food waste compost
 - Garden and soaker hoses
 - Hydraulic mulch
 - Plastic lumber landscaping timbers and posts
 - Lawn and garden edging
 - Yard trimming compost
- NON-PAPER OFFICE PRODUCTS
 - Binders
 - Office recycling containers
 - Office waste receptacles
 - Solid plastic binders
 - Plastic clipboards
 - Plastic clip portfolios

Special Procurement Categories

Affirmative Procurement for Recovered Materials (continued)

Plastic desktop accessories
Plastic envelopes
Plastic file folders
Plastic trash bags
Presentation folders
Printer ribbons
Toner cartridges

- **MISCELLANEOUS PRODUCTS**

Awards and plaques
Industrial drums
Mats
Pallets
Signage
Sorbents
Manual-Grade Strapping

The current list of EPA designated products can be found at:
<http://www.epa.gov/epaoswer/>. Click on 'Comprehensive Procurement Guidelines', and click on 'Products' for each designated item for additional product information, such as recommended percentage of recovered materials content. A link to the list of EPA designated items is also included on the Office of Procurement Management's (G-CPM's) intranet home page at:
<http://cgweb.comdt.uscg.mil/G-CFP/g-cpm/prohome.htm>

Documentation Requirements.

Procurement Request: The procurement originator (program official) initiating the purchase must complete and submit the Recovered Materials Determination Form provided in Enclosure (23) with each procurement request that includes EPA designated products, regardless of dollar value.

Award: Purchase of non-EPA designated products above the micro-purchase threshold must be justified in writing in the purchase file. Pursuant to FAR Subpart 23.405(c), and TAM Subchapter 1223.405, the procurement originator and the KO, as appropriate, must complete and sign a written Request for Waiver. Enclosure (24) is provided for this purpose. The KO must justify the waiver stating that the recovered-content product:

Special Procurement Categories

Affirmative Procurement for Recovered Materials (continued)

- Is not available competitively within a reasonable period of time;
- Is only available at unreasonable prices; or
- Does not meet reasonable performance standards in the specifications.

The original form shall be maintained in the purchase file.

Reporting: Report all purchases of EPA designated products, including micro-purchases, to the COCO via the RCRA report format provided in Enclosure (25). Each COCO shall collect all RCRA reports from procurement offices under their area of responsibility and provide one consolidated response to Commandant (G-CPM) by November 15 each year. Commandant (G-CPM) will consolidate all field responses into one Coast Guard annual report that is provided to DOT. The RCRA reporting requirement is also noted in Chapter 12 herein.

Sources: The EPA designated items and other environmentally preferable products can be found in several catalogs. Typically, suppliers flag the green products with special symbols to make purchasing easier. The following web sites are good places to start.

GSA Advantage: This system allows customers to browse, search, and order environmentally oriented products and services. Click on “Advantage”, then “Environmental Concern at Advantage” at the GSA Advantage! Internet address for more information. The GSA Advantage! Internet address is:
<http://www.gsaadvantage.gov>

GSA Federal Supply Service (FSS): This web site allows customers to identify items that meet EPA designated product criteria for recycled content and energy star product designations on FSS contractor catalogs and/or price lists. Click on “Environmental Catalogs and Guides” at the following web site:

<http://fss.gsa.gov/environ/>

EPA Web Site: The current list of EPA designated items can be found at the following web site: <http://www.epa.gov/epaoswer/non-hw/procure/products.htm>

Special Procurement Categories

Affirmative Procurement for Recovered Materials (continued)

DLA Environmental Products Catalog: Obtain a copy of the DLA's Environmental Products Guide by:

- * phoning DLA at (800) 345-6333
- via internet address: <http://www.dscr.dla.mil/environmental.htm>

Environmentally Preferable and Energy-Efficient Purchasing

As specified in FAR 23.7, all agencies are required to maximize the procurement of environmentally preferable and energy-efficient products and services. Environmentally preferable purchasing (EPP) is the procurement of products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services for the same purposes. EPP also includes the procurement of bio-based products. For more information, you may visit the EPA's EPP web site at the following Internet address: <http://www.epa.gov/opptintr/epp>
A related EPA web site called Energy Star may be found at: <http://www.energystar.gov>.

The National Biobased Products and Bioenergy web site can be reached at the following Internet address:
<http://www.bioproducts-bioenergy.gov/>

Hazardous Materials

Enclosure 1 contains Table 1 of Federal Standard 313C, which provides a listing of hazardous material, which must be approved by the Pollution Prevention Coordinator (PPC) prior to purchase. If the PR is for any item on this list, the PR must include a Statement of Essential Need (SEN) (Enclosure 26) approved by the Pollution Prevention Coordinator (PPC). Emergency Planning and Community Right-to-Know Act and Pollution Prevention, COMDTINST M16455.10 (series), directs this SEN requirement. If the PR is lacking the required documentation, the PR shall be returned without action to the requester.

Required Clause: Include the clause at FAR 52.223-3 with Alternate I in all orders for hazardous materials identified in Federal Standard 313C. This clause requires the vendor to furnish a Material Safety Data Sheet (MSDS) with the shipment of material.

Acquiring Training

DOT and Coast Guard procedures for acquiring training services are contained in Appendix C to the TAM. The TAM recognizes that training is not a function of the KO, but of the training officer. The TAM draws a distinction between "off-the-shelf" training and training which is tailored specifically for an agency.

Special Procurement Categories

Acquiring Training (continued)

A training officer having a Delegation of Procurement Authority (DPA) from a COCO may procure off-the-shelf training via a SF-182. See Enclosure 27 for a sample request for DPA.

A KO uses normal acquisition procedures to procure training which is not commercially available and must be developed to meet an agency's need. Only KO's may procure training, which is not commercially available.

When acquiring training from other than a Government source, in excess of the micro-purchase threshold using a SF-182, supplemental terms and conditions must be included with the SF-182 (see Attachment 5 to Appendix C to TAM 1213). In addition, the TAM requires the preparation of DOT F 4230.1, Simplified Acquisition Procedures Summary.

Ship Repairs

Ship repair contracts are subject to the labor provisions of the Walsh-Healey Public Contracts Act rather than the Service Contract Act. 10 USC Sec. 7299 applies Walsh-Healey to contracts for the construction, alteration, furnishing, or equipping of naval vessels. The DOL has found alteration includes repair services.

Fast Payment Procedures

Introduction: The FAST PAYMENT METHOD reduces lead-time to suppliers because it expedites payment.

Basis for payment: The payment is based on the supplier's invoice, which represents that the item has been delivered to the Government's designated point of first receipt (post office, carrier, etc.). It also indicates that the supplier agrees to replace or repair any lost or non-conforming items upon arrival at the point of final receipt.

- **When to use this method:** The fast payment method is designed to encourage faster delivery to the Government and to improve supplier relations by speeding payments to contractors. The fast payment procedure is especially suitable when the receiving activity is located in a distant location, and the time required for processing would delay payment to the vendor. To receive payment for the supplies delivered: the vendor submits an invoice directly to the FINCEN stating that the supplies were

Special Procurement Categories

Fast Payment Procedures (continued)

delivered.

Conditions for Use: The Fast Payment procedure is authorized in purchases, which require special attention to avoid an excessive delay through normal procedures. Fast payment procedures are not appropriate when the point of acceptance is nearby or where the item is complex and requires special quality assurance and inspection. Fast Payment use is authorized only if all of the following conditions are present:

- Individual orders do not exceed \$25,000
- The requiring activity is located in a location that would prevent quick payment of the vendor's invoice by normal receiving report procedures.
- The vendor agrees to replace, repair, or correct supplies not received at destination, damages in transit or not meeting purchase requirements.
- Government ownership occurs upon delivery to a post office or common carrier or upon receipt by the government if the shipment is by means other than Postal Service or common carrier.
- The methods of purchase is a firm-fixed price contract PO or DO for supplies delivered.
- A system is in place to ensure that contractor performance under the Fast Payment procedures is documented, that the KO is quickly made aware of contractor deficiencies, and that vendors who abuse the procedures are identified.

Forms/Clauses for Use

PO's or BPAs using the Fast Payment method are issued on the SF-1449 or OF-347 and must include the following:

- The FAR clause "Fast Payment Procedure"
- A requirement that supplies be shipped transportation or postage paid.
- A requirement that the invoice be submitted directly to the FINCEN or in the case of un-priced purchase orders, to the KO.

Special Procurement Categories

Fast Payment Procedures (continued)

The SF-1449/OF-347 must include the statement:

“ The consignee shall notify the purchasing office promptly after the specified date of delivery of supplies not received, damaged in transit, or not conforming to specifications of the purchase order. Unless extenuating circumstances exist, the notification should be made not less than 60 days after the specified delivery.”

The supplier must mark all outer shipping containers “FAST PAY” The contracting officer is responsible for collecting all debts resulting from failure of vendors to properly replace, repair or correct supplies lost, damages, or not conforming to the requirement.”

The KO must establish a system to ensure regular follow-up with consignees to ensure the receipt and conformance information is obtained and forwarded to the purchasing office as required.

Mortuary Services

TAR 1237 USCG Supplement, contains provisions and clauses for mortuary services. Include the appropriate provisions and clauses in solicitations and orders for mortuary services.

Rehabilitation Act of 1973 Section 508 Implementation

Rehabilitation Act requires that when Federal departments or agencies develop, procure, maintain, or use Electronic and Information Technology (EIT), they must ensure that the EIT allows Federal employees with disabilities to have access to, and use of, information and data in the same manner as Federal employees without disabilities. Section 508 also requires that members of the public with disabilities seeking information or services from a Federal department or agency, have comparable access to and use of information and data as members of the public without disabilities. Comparable access is not required if it would impose an undue burden. If an undue burden exception is applicable, the Coast Guard must still make EIT available by an alternate means of access.

This policy applies to all contracts awarded on or after June 25, 2001. For indefinite delivery/indefinite quantity contracts, this policy applies to all task/delivery orders issued on or after June 25, 2001.

Special Procurement Categories

Rehabilitation Act of 1973 Section 508 Implementation (continued)

The interim USCG policy on Section 508 implementation may be found at:

<http://cgweb.comdt.uscg.mil/508/SECTION508/CG-SEC508HOME.HTML>.

Section 508 must be considered by **all personnel** involved in the procurement process, from requirements personnel to the KO. In particular, requiring officials must consider application of Section 508 to all procurements, and must document in writing the basis for Section 508 exceptions as follows:

	Commercial Non Availability “A”	Undue Burden Determination “B”	National Security “C”
\$2,500 to \$100K	Field/HQ Units CO/Commander HQ- Directorate Head/Asst Comdt	Field/HQ Units CO/Commander HQ- Directorate Head/Asst Comdt	Field/HQ Units CO/Commander HQ- Directorate Head/Asst Comdt
100K to \$999K	Field/HQ Units CO/Commander Head/Asst Comdt Copy to G-CIE	Field/HQ Units CO/Commander Head/Asst Comdt Copy to G-CIE	Field/HQ Units CO/Commander Head/Asst Comdt Copy to G-CIE
\$1M and Over	G-CIE for processing to G-CIO	G-CIE for processing to G-CIO	G-CIE for processing to G-CIO

If products are commercial available that meet some but not all of the standards, the Coast Guard must procure the product that best meets the standards.

For acquisitions \$1 Million and over, the Section 508 Coordination Committee will review the Certification and provide a recommendation to the CIO. Submit electronic versions of the certifications w/attachments requiring CIO approval to “Section 508 Coordination Committee” (asulkovsky@comdt.uscg.mil). Original copies of the certifications should be mailed to: Commandant (G-CIE), “Section 508 Coordination Committee”, 2100 Second Street . S.W., Washington, D.C., 20593-0001.

Special Procurement Categories

**Rehabilitation Act
of 1973
Section 508
Implementation
(continued)**

Proposed contract language requiring contractor compliance with Section 508 Access Board Standards and other technical evaluation samples to supplement the Federal Acquisition Circular (FAC) 97-27 will be made available at <http://cgweb.comdt.uscg.mil/G-CFP/g-cpm/procure/SECTION 508/d&c.htm>

This interim policy/guidance is in effect until superseded by DOT policy or other notification.

Special Procurement Items

Introduction

Some items or services are not authorized for purchase using appropriated funds unless a specific exemption exists. Many times, the conditions of a purchase will allow the procurement of an item not otherwise allowable. The Comptroller General of the United States has reviewed many such inquiries and has issued published rulings on them. A compilation of decisions of the Comptroller General is contained in the GAO's publication "Principles of Federal Appropriations Law." This publication is currently issued in three volumes and is available from:

**Superintendent of Documents
U.S. Government Printing Office
941 N. Capitol Street
Washington, DC 20402**

Call (202) 512-1800 to order using the P-Card. Volumes may be purchased separately or as a set. Volume I contains a chapter on the use of appropriated funds and covers such subjects as entertainment, gifts and awards, personal expenses and membership fees. These manuals are also available on-line at <http://www.gpo.gov>, then click on "Special publications and Software."

The Coast Guard policy on restricted purchases is contained in the Financial Resource Management Manual (FRMM), COMDTINST M7100.3 (series). Chapter 5 of the FRMM provides guidance for Coast Guard personnel. Coast Guard Simplified Acquisition Buyers should consult Chapter 5 of the FRMM for guidance on whether appropriated funds may be used to procure certain items. Coordinate with the COCO and local legal office for any specific questions.

Following is a list of items that are governed by specific guidance when procured. Note this list is not all-inclusive.

Chaplain's Supplies

Appropriated funds may be used to buy certain items in support of religious ministries. Consult Religious Ministries Within the Coast Guard, COMDTINST M1730.4 (series), for specific guidance.

Special Procurement Items

Daycare Services

Child Development Services Manual, COMDTINST M1754.15 (series), contains Coast Guard policies governing the use of appropriated funds for daycare services. In general terms, appropriated funds may be used for most daycare center expenses except for food.

Information Technology (IT)

Formerly known as FIP (Federal Information Processing) and ADP (Automatic Data Processing), IT includes any equipment or interconnected system(s) or subsystem(s) of equipment, that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information. This definition includes all hardware, software, support services, and services. Refer to Planning Approval for Automated Information Systems (AIS), COMDTINST 5231.2 (series), and Acquiring Microcomputer Resources, COMDTINST 5230.55 (series), for procurement procedures and specifics.

Microwave Ovens, Coffee Pots, Refrigerators, or Food Service Equipment

These items are not authorized for offices and training facilities. However, IAW the Coast Guard Housing Manual, COMDTINST M11101.13 (series), these items are authorized for permanent party housing, barracks, and unaccompanied personnel housing. In addition, these items are authorized for those spaces reserved for watch standers when they may not leave the area during an eight-hour watch.

Morale, Welfare and Recreation

The Coast Guard has statutory authority to make expenditures from OE for the morale and recreation of military members. Funds for the acquisition, construction, and improvement of Coast Guard Morale, Welfare, and Recreation (MWR) facilities must be specifically obtained. Expenditures for morale and recreation are controlled by established directives. Consult the Morale, Well-being, and Recreation Manual, COMDTINST 1710.13 (series), for additional guidance.

Special Procurement Items

Paper All Coast Guard activities shall, as a general rule, purchase and use only white recyclable paper for printing, copying, note pads, route slips and other related office supplies. Commands shall convert to white stock when purchasing printing services from local Government Printing Offices. Whenever possible, recycled white paper supplies shall be acquired.

Printing and Related Services All requests for printing and related services must be forwarded through a regional Government Printing Office (GPO). The term 'printing' includes and applies to the processes for composition, plate making, presswork, duplicating, silkscreen processes, binding, and microfilm; the equipment used in such processes; and the items produced by such processes and equipment. Design concepts, layouts, and prototypes prepared up to the completion of a camera-ready copy may continue to be directly procured. The printing process begins with the camera-ready copy being presented for plate making or negative production. At that point, printing requests must be submitted to GPO. GPO may certify that small, emergency, non-repetitive printing of \$1000 or less can be obtained from other sources.

Exceptions are usually granted only if the Public Printer (GPO) certifies that GPO cannot provide the work more economically.

See Policy and Procedures: Printing, Duplicating, Copying, COMDTINST M5600.6 (series), and Printed Matter for Official Ceremonies, COMDTINST 5603.1 (series). Commandant (G-CIM) issues printing policy for the Coast Guard. Printing and duplicating acquired from other Government agencies is not authorized.

Religious Articles As a general rule, the purchase of religious cards or articles with appropriated funds is prohibited. Guidance can be found in Religious Ministries Within the Coast Guard, COMDTINST M1730.4 (series).

Special Procurement Items

Subscriptions

Statutory authority exists which allows the FINCEN to make advance payments for subscriptions. FAR clause 52.213-2 “Invoices” must be included in purchase orders that authorize advance payments for subscriptions.

Subscriptions may also be purchased for more than the current fiscal year with current fiscal year funds. This type of funding is authorized when it is known in advance that a continuing requirements exists, and it is advantageous for the purpose of economy or otherwise. (Ref: FPMR 101.25.108; 31 U.S.C. 530a).

Warranties

The procurement of warranties may be authorized if the warranty is standard industry practice (e.g. 1 year parts and labor). In accordance with TAM 1246.703 and 1246.704, the COCO must approve warranties that exceed standard industry practice.

Medical Supplies

When purchasing medical supplies and services, refer to Chapter 8 of the Medical Manual, COMDTINST M6000.1 (series), which is located at the following website:

<http://www.uscg.mil/hq/G-W/g-wk/wk.htm>

Lodging and Messing for Reserve Members

Reserve members performing active duty during drill periods are authorized Lodging and Messing during these periods. It is the Coast Guards policy that these requirements are not considered Travel related expenses but an entitlement extended to all active duty forces. The following procedures shall be used when purchasing these services:

- If the amount of the purchase is less than \$2,500, members given DPA authority may use the P-Card to pay for these services. The \$2,500 total is all-inclusive. Payments cannot be divided either by members or time frame to allow for DPA P-Card use.
- If the amount of the purchase is \$2,500 or over, the requirement shall be forwarded and accomplished by the Contracting Officer who provides support for the Reserve component. Units are reminded that pre-planning is essential to avoid the appearance of split procurements or unauthorized actions requiring ratification. KO's are advised

Special Procurement Items

**Lodging and
Messing for
Reserve Members
(continued)**

to use all procurement methods available to them (annual BPA, SMA, Requirement Type orders) to ensure all procurement rules and regulations are followed.

Forms Preparation

Introduction

This section is designed as a guide to filling out common procurement related documents. Users are strongly encouraged to check any stated references for the most recent guidance and forms usage instruction. The instructions below only list items of special interest and not items that are self explanatory.

Document Numbering

Procurement documents, which are issued using Uniform Procurement Instrument Identification Number (PIIN) system shall be numbered in accordance with Enclosure 28. Those documents which are issued using DAFIS numbers exclusively (i.e., SF-1165, SF-44) shall be numbered in accordance with the FINCEN SOP.

OF-347 Order for Supplies or Services

Special Items:

- May only be used for micro-purchases, non-commercial item purchases, and delivery orders against current government contracts. See Chapter 6, Commercial Item Acquisition, for definition of commercial items.
- Must attach applicable clauses. While Appendix A to TAM 1213 lists applicable clauses to be used when using an OF-347, the contracting officer is responsible for ensuring that all applicable clauses are included with the order.
- Must include NAICS for required supplies/services.
- Must include TIN for required services.
- Instructions for completing individual blocks can be obtained from the corresponding information listed for the SF-1449 (see Coast Guard Acquisition Procedures (CGAP), COMDTINST M4200.19 (series), Enclosure 3.
- Secondary pages shall be issued on the OF-348.

SF-30 Amendment of Solicitation/Modification of Contract

Preparation: The SF-30 is a self-explanatory form with each block labeled for the required information. Each block should be filled out as applicable to the type of change order/modification being issued. When completing block 13, an authority must be listed that allows for the type of change/modification being issued. Some examples of authority are:

- FAR clause 52.243-1 for change orders;
- USC 2304 (g) (1) for new procurements (adding new items to original order);
- FAR clause 52.249-1 for termination or partial termination of fixed price orders;

Forms Preparation

SF-30 Amendment of Solicitation/ Modification of Contract (continued)

- “mutual agreement of the parties,” noted as a supplemental agreement on the form, for such things as price increases, quantity increases to meet unit pack requirements, cancellations or partial cancellations, etc.

Use the following guidance to determine which block to use when completing item 13 of the form:

13A. This block is used when issuing a **“Change Order”**. An example of a change order would be:

- changing place of delivery
- changing a specification

13B. Use this block when making an **“Administrative change”** to the order. An example of an administrative change would be:

- changing vendor address
- changing accounting data

13C. Use this block when issuing a **“supplemental agreement”**.

13D. Use this block for all other changes, not included above. These changes are normally bilateral. Examples of other changes are:

- termination or partial termination
- cancellations
- increases in quantity to conform to unit packs

Numbering Modifications: Each modification shall reference the applicable purchase order number as well as a modification number. Modifications shall be numbered sequentially with a four position serial number beginning with 0001.

SF-98 and SF-98A Notice of Intent to Make a Service Contract and Response to Notice and Attachment A.

Materials needed:

- 1) SF-98 and -98A. These forms are included in the forms menu version 6.0. and the forms filler on SWIII.

Service Contract Act Directory of Occupations. (May be ordered from the Superintendent of Documents, or accessed via the internet at URL:

Forms Preparation

SF-98 and SF-98A Notice of Intent to Make a Service Contract and Response to Notice and Attachment A. (continued)

<http://www.dol.gov/dol/esa/public/whdorg.htm>, then follow the link to the Directory).

2) Department of Labor Wage Schedules for your area.

Instructions:

The SF-98 and SF-98A must be filled out as explained on the reverse of the form and IAW FAR Part 22.1008.

Refer to the FINCEN SOP for special entries required when ordering items from Federal Prison Industries (UNICOR).

SF-1449 Solicitation / Contract / Order for Commercial Items

The solicitation: When completing this form for a solicitation, the order number (block 4) is not used. Complete all applicable blocks for a solicitation, and forward the form to all perspective bidders. Check block 27a, and include the following clauses:

- 52.212-1 Instructions to Offerors - Commercial Items as tailored in Enclosure 6.
- 52.212-2 Evaluation - Commercial Items. This clause must be included if the purchase is to be accomplished using best value practices. If best value will be used, the solicitation must contain the evaluation factors to be considered.
- 52-212-3 Offeror Representations and Certifications - Commercial Items. This clause must be included in full text, with the appropriate clauses checked for inclusion. Enclosure 6 has been provided to assist in determining which clauses should be included, however, all KOs should refer to the FAR clause matrix to ensure that all applicable clauses are included for the procurement.

When the form is returned from the vendor, blocks 12 and 30 should be completed. If these blocks are not completed, contact the offeror for the required information.

- If oral solicitations are sought, the information in clauses 52.212-1

Forms Preparation

SF-1449 Solicitation / Contract / Order for Commercial Items (continued)

and 52.212-3 must be passed to the vendor, and the information in clause 52.212-2 must be gathered during the solicitation.

The Order: Upon receipt and evaluation of all quotes, the KO issues the SF-1449 to the vendor. When issuing the form as an order, ensure the following:

- Page number - The correct amount of pages must be stated in this block in order to be included in the order. If the order is typed as “page 1 of 1” then the order legally is only 1 page. Orders for commercial items **will never** be one page.
- Clauses - check block 27b, and include the clauses 52.212-1 (as amended in Enclosure 6) and 52.212-2 in the order, even if already provided in the RFQ package. Since a quote is non-binding, all applicable clauses only apply if contained in the resulting order.

An example SF-1449 used for ordering is included as Enclosure 29.

General Form Guidance:

Block 10: enter unrestricted (open to any vendor) or set-aside. If the order is between \$2,500 and \$100,000, then it is a small business set-aside. See FAR Part 19 for more information on set-asides and standard industry classification (SIC) code and size standard. If a price evaluation adjustment for small disadvantaged business concerns is applicable, or if an incentive subcontracting clause is used, or if a set-aside for emerging small business is used, see FAR 12.303.

Block 11: FOB destination is the default unless block is checked. In this case, information must be in the schedule addendum.

Block 13: check if the requirement has a DO rating.

Block 16: Default to block 9 unless otherwise indicated.

Block 28: Not often used under the simplified acquisition threshold. Performance by the contractor signifies acceptance.

Forms Preparation

**SF-1449
Solicitation /
Contract / Order
for Commercial
Items (continued)**

Special Items:

- Continuation pages may be typed on the reverse of the form, the OF-348 form or a blank piece of paper.

Administration

Introduction

Administration refers to actions that occur after award of simplified acquisitions. It may include modifications, report preparation, claims and disputes resolution, ratification of unauthorized commitments, payment, and file close-out.

Documentation

Documentation is a vital element in a procurement file and its importance cannot be overstated. All procurement files should contain enough information so that the file can withstand any audit on its own merit. Documentation provides crucial information explaining facts and reasons for decisions made.

Maintain a file containing documentation of all actions taken for each individual purchase. Each procurement file shall include, as applicable, the following items:

- a copy of the procurement request;
- a copy of the small purchase summary form, showing price reasonableness determination, sources solicited, verbal quotes received, and other applicable information as needed;
- sole source justification from the requisitioner, if required;
- a copy of all written quotes received;
- a copy of the award document (OF-347, SF-1449, SF-44 etc.);
- a copy of all change orders/modifications issued against the order;
- a copy of SF-98 when a Service Contract Act (SCA) wage determination has been requested;
- a copy of all SCA/Davis-Bacon wage determinations received and incorporated into the order;
- evidence of receipt.

End of Fiscal Year/Beginning of Fiscal Year Orders

The Anti-Deficiency Act prohibits a KO from obligating funds in advance of the appropriation. When a contract/order award is required on 1 October, and Congress has not appropriated the funds necessary to commit the Government to the expenditure, the FAR has included provisions to be used when issuing orders in advance of the appropriation.

Administration

End of Fiscal Year/Beginning of Fiscal Year Orders (continued)

The following conditions commonly apply:

- The purchase/delivery order must contain the clause entitled “Availability of Funds” FAR 52.232-18.
- The purchase/delivery order must be for operation, maintenance and continuing services (e.g., rentals, utilities, and supply items not financed by stock funds), which are: necessary for normal operations and for which Congress has previously and consistently funded.

Once funds have been appropriated, a modification to the order should be issued, citing the authority of the “Availability of Funds” clause. The amount of funds made available should be indicated in the modification. For example, if a Continuing Resolution is in effect (funding for continued operations for a short period of time, e.g., one month), the modification should indicate that funds are available for that period of time only, such as “This modification is issued to provide funds for the period of October 1 through October 31, 200X in the amount of \$5,000.” This type of modification should be issued until the entire appropriation has been received. At that time, a modification to the order should be issued which provides funds for the remainder of the fiscal year. This enables a contractor to perform work, invoice and receive payment.

The Government shall not accept supplies or services under a purchase order conditioned upon the availability of funds until the KO has given the contractor notice, to be confirmed in writing, by issuance of a modification, that funds are available.

File Close-Out and Retention

The purchasing office shall close out simplified acquisitions upon evidence of receipt, acceptance and final payment. Generally, files for simplified acquisitions must be retained for 1 year after final payment. However, P-Card statements must be retained for a period of 3 years. Also, construction actions in excess of \$2,000 must be retained for 6 years and 3 months. Construction actions less than \$2,000 shall be retained 3 years following final payment. There are other specific retention periods for actions such as protests and claims. Consult FAR 4.805.

Administration

Contracting Officer Review

Each KO shall conduct annual reviews of all offices exercising procurement authority within their respective AOR. This review shall include all P-Card statement files, SF-44 files, BPA files and purchase/delivery order files. BPA review procedures are outlined in Chapter 7, Acquisitions up to \$25,000.

The review will be conducted to ensure compliance with all current applicable regulations and statutes. The review shall be documented and maintained by the KO.

Inspection and Acceptance

Each purchase/delivery order form (OF-347 and SF-1449) has a space reserved for inspection and acceptance of the items/services order. This block is very important and the difference between inspection and acceptance needs to be understood by everyone involved in the procurement process.

Inspection: There are two types of Government inspection.

1. Destination In most instances, Government inspections and acceptance are performed at the destination by the receiving activity because of the increased administrative costs associated with source inspection. However, if the inspection is performed at the source or site, a check is performed at destination for the following:

- proper type/kind;
- correct quantity;
- damage;
- operability;
- preservation;
- packaging;
- packing;
- marking.

2. Source/site inspections. Source/site inspections are conducted when:

- performance elsewhere would destroy or disassemble product or destroy costly packaging;
- considerable loss would result from manufacture and shipment of unacceptable supplies;

Administration

**Inspection and
Acceptance
(continued)**

- special testing facilities are only available at the source;
- supplies are for overseas shipment;
- there are special contract specifications;
- any other reason of special Government interest.

NOTE: Inspection at the site is costly and should be used judiciously.

If the Government is relying on inspection by a contractor, consult FAR Part 46.

Acceptance: Acceptance is acknowledgment that the deliverables conform to the terms of the purchase/delivery order.

Supplies are normally accepted at their destination point. Supplies inspected at points other than destination are checked again at the destination.

Acceptance constitutes acknowledgment that supplies or services conform to the applicable purchase/delivery order. This acknowledgement includes specifications, quality and quantity. If acceptance of the supplies/services occurs at a place other than place of inspection, check for:

- correct quantity;
- damage in transit;
- possible substitution or fraud.

Resolving Non-Conforming Deliveries: If a supplier delivers supplies or performs services that are not in conformance with the purchase order, use the decision table below to determine the correct course of action.

Administration

Inspection and Acceptance (continued)

If	then
The supplier will replace the items, which are defective, or re-perform the service as requested, within a reasonable period of time.	Reject the non-conforming supplies and let the supplier make changes at its expense.
You elect to accept non-conforming supplies or services.	If necessary, adjust the price prior to acceptance.
The supplier cannot correct or replace the supplies, or re-perform the service, within a reasonable period of time, and the item or service is readily available from another source.	Reject the defective supplies or services and adjust the price and quantities accordingly.

Transportation of Freight

Transportation of Freight, COMDTINST M4610.5 (series), provides guidance for moving freight in the Coast Guard. However, the GSA has announced the retirement of the Government Bill of Lading (GBL) effective 1 April 2002 for CONUS freight shipments.

The Coast Guard has obtained authorization to use the Military Traffic Management Command's (MTMC) "Electronic Transportation Acquisition" (ETA) systems to electronically select carriers, manifest shipping documents and bill for services. ETA's Global Freight Management (GFM) and U.S. Bank's Power Track® systems allow Coast Guard shippers to create and electronic Commercial Bill of Lading (CBL) to satisfy the GBL retirement mandate. The GBL accountable forms (SF1102/1202) may still be used to OCONUS freight shipments after 31 March 02. Currently, the two ICPs, as well as AR&SC and the ELC are on-line with MTMC/ETA.

All Power Track® transactions for freight shipment will be received and processed at the Coast Guard's Finance Center, Chesapeake, Virginia. These transactions include those generated at the two ICPs (AR&SC and ELC). A business plan has been developed monthly

Administration

Transportation of Freight (continued)

billing certification and PES report reconciliation requirements.

ETA is intended for activities that make frequent freight shipments. Therefore, as a policy, the Coast Guard intends to use the “hub” or “Center of Excellence” concept to support freight shipping requirements. Infrequent freight shippers (i.e. non-ETA sites) will be advised to request transportation services (via e-mail, fax) using support commands or other area ETA sites.

In the future, the Coast Guard plans to explore the feasibility of introducing ETA to OCONUS shipping sites.

Modification of Purchase/Delivery Orders

Occasionally a purchase order may require a modification. Modifications may be issued to change any of the following:

- price
- delivery date
- FOB point
- terms and conditions of the order
- quantities ordered (see supplemental agreement)

A KO must sign modifications.

Documentation: Each modification, which causes an increase in the order amount, must be supported by a funded procurement request. A memo, e-mail, or some other form of documentation indicating the need for the change must support other modifications.

Form: All modifications are issued on the SF-30, Amendment of Solicitation/Modification of Contract. Each SF-30 must be supported by a valid procurement request, if funds are increased, and signed by the KO. The SF-30 shall be prepared as described in Chapter 11, Forms Preparation.

Numbering of Modifications to Purchase Orders: Each modification shall reference the applicable purchase order number as well as a modification number. Modifications are numbered sequentially with a four digit serial number beginning with 0001.

Types of Modifications: There are several different types of modifications. The type of modification depends on what kind of change is to be made.

Administration

Modification of Purchase/Delivery Orders (continued)

NOTE: A written modification is not necessary for any changes and/or agreements less than \$100.00

Unilateral Changes: Administrative Changes are issued via a unilateral (one signature) modification. Unilateral modifications do not alter the essential agreement between the parties, but rather make administrative changes such as: changes in paying office; changes in accounting data; corrections of typographical errors. As such, the KO may make administrative changes without requiring the contractor's acceptance/signature. An example of an Administrative change is provided as Enclosure 30.

Change Orders are issued unilaterally pursuant to the "Changes" clause of the order. Change Orders **do** alter the essential agreement between the parties. As such, the KO is restricted as to the types of changes that may be made using "Changes" authority. These types of modifications are generally issued when time will not permit the change to be negotiated. After the unilateral change order is issued, an equitable adjustment in the price of the order is negotiated if applicable. After agreement on the price of the change order is reached, a modification is issued on an SF-30. An example of a change order is provided as Enclosure 31.

Bilateral/Supplemental Agreements: A supplemental agreement is any contract/modification mutually agreed to by both parties. The contractor and the KO are both required to sign a supplemental agreement (**contractor signs first**). The effective date of the modification is filled in before the modification is provided to the contractor for signature.

This date is usually the date when the contractor and the contracting officer reached agreement. Supplemental agreements finalize the pricing of a change order and also initiate any modification not covered by the Changes clause or administrative changes.

NOTE: When issuing a Supplemental Agreement, include the statement similar to the statement at FAR 43.204(c)(2) when either of the following conditions apply:

- Terms (including price) of change order/supplemental agreement are agreed upon prior to the issuance of the SF-30.

or

Administration

Modification of Purchase/Delivery Orders (continued)

- When the KO and contractor have agreed upon an equitable adjustment on a unilaterally issued Change Order.

An example of a supplemental agreement is provided as Enclosure 32.

New Procurement: New Procurement is a modification of an existing order that adds items (either quantity or type) not included in the original order. This type of modification must be accomplished just the same as a new procurement would be processed in accordance with the procedures previously discussed (i.e., price reasonableness, competition, advertising, etc.). When issuing a new procurement, the authority for the procurement must be identified in block 13D. (see Enclosure 33).

Cancellation

Cancellation: A purchase order may be canceled if acceptance has not yet occurred, or by mutual agreement between the government and the supplier.

A partial cancellation occurs when it becomes necessary to delete items from an existing order. Only the KO may cancel a purchase order, partial or otherwise.

Cancellations are generally issued on an SF-30. Examples of a partial and complete cancellation are provided as Enclosures 34 and 35.

Termination

Termination: Only orders that contain the “Termination” clause may be terminated, and the KO shall insert the “Termination” clause in all orders with only a few exceptions. Orders may be terminated for “Convenience” or “Default”. Termination for Convenience is used when the Government no longer has a need for the supply or service that was ordered. Termination for Default occurs when the contractor fails to perform and consequently, is unable to meet the Government’s needs. Before terminating any order, consult Federal Acquisition Regulations (FAR) Part 49 and Coast Guard Acquisition Procedures, COMDTINST M4200.19 (series), Part 1249, and seek legal advice. Copies of default notices must be approved by Commandant (G-LPL) prior to issuance

Administration

Reports Following is a list of some critical procurement reports, which collect data that is subsequently evaluated, collated, and reported to various Government agencies with oversight on the reported topics. Most of these agencies report to Congress or some other higher authority. Accordingly, SAP buyers are both required and urged to ensure the following reports are accurately and timely submitted. A complete list of reporting requirements may be found on the G-CPM web page at <http://cgweb.comdt.uscg.mil/G-CFP/g-cpm/PROhome.htm>, click on 'Report Requirements'.

Federal Procurement Data System (FPDS): The FPDS is comprised of the two reports described below. Departmental officials as well as members of Congress utilize the information. Reporting actions into FPDS is required by statute.

SF-281 (Federal Procurement Data System (FPDS) Summary Contract Action Report (\$25,000 or Less):

The SF-281 is used to record cumulative numbers of actions and Small Business Competitiveness Demonstration Program as described in Federal Acquisition Regulations (FAR) Part 19.

It is imperative that this information be entered correctly in LUFs so the report issued quarterly reflects accurate data, which occurred during the quarter. Detailed instructions for completing the SF-281 can be found on the DOT website: <http://www.dot.gov/ost/m60>. KO's shall ensure accurate and timely reporting.

Submit 281 reports to the COCO. COCOs will consolidate all 281 reports for their AOR and submit them to Commandant (G-CPM) in accordance with the following schedule:

<u>Quarter Ending</u>	<u>Submit SF-281 to Headquarters by</u>
December 31	January 15
March 31	April 15
June 30	July 15
September 30	October 15

Administration

Reports (continued)

Contract Information System (CIS): The CIS Form DOT 4220 (06/01 or latest version) is used to report procurement actions which either:

- exceed \$25,000 or
- exceed \$500 and are issued under the Small Business Competitiveness Demonstration Program as described in FAR part 19.

(1) The Contracting Officer shall review the CIS report before signing any contract action that obligates money.

(2) These reports shall then be issued and entered into the CIS. Any modifications to the purchase/delivery order must also be entered into the CIS as well as a final close-out once delivery has been accepted and payment has been made. Prepare these reports in accordance with the CIS Users Guide, and as discussed in Chapter 8, Acquisitions over \$25,000.

Resource Conservation Recovery Act (RCRA) Report: The contracting office must report all purchases of EPA designated items (see Chapter 9, Special Procurement Categories), regardless of dollar value, to the COCO via the RCRA report format provided in Enclosure (25). Each COCO will consolidate the responses in the same format and forward to Commandant (G-CPM) by 15 November each year. Commandant (G-CPM) will consolidate the responses and provide the information to DOT.

Ratification of Unauthorized Commitments

It is illegal for anyone other than a properly appointed KO, ordering officer or cardholder to make a purchase on behalf of the government.

Personnel without procurement authority who order supplies or services, who attempt to change the terms of an existing purchase, or who commit the government to pay a vendor for anything received, may be held to disciplinary action, and may be held personally responsible for payment.

Such actions are called unauthorized commitments. KO's who exceed the limitations stated on their warrant have also entered into an unauthorized commitment.

Administration

Ratification of Unauthorized Commitments (continued)

The HCA has delegated the authority to approve or disapprove ratifications of unauthorized commitments to the COCO as follows:

- All COCO warrants must be sufficient to ratify the action. All ratifications, which exceed \$2,500 must be reviewed by local legal counsel for legal sufficiency and forwarded to the COCO.
- In addition, a report of all unauthorized commitments above \$2,500 shall be forwarded to Commandant (G-CPM) on a quarterly basis. The report shall include the Procurement Request number, description of action, dollar value, whether the unauthorized action was ratified, the date the unauthorized commitment occurred, and the date of the ratification. The report is due no later than the close of business on the 15th of January, April, July and October of the fiscal year (e.g., no later than 15th of January for the quarter ending 31 December). Where applicable, reports shall be forwarded through the chain of command via the Commander, Maintenance and Logistics, Atlantic (f) and Pacific (f) or (v).
- The COCO shall render a final decision within 30 calendar days of receipt of the ratification request. Once a decision has been rendered, all documentation shall be forwarded to the appropriate KO. If an unauthorized commitment is approved for ratification, the KO for payment purposes shall process a purchase order or other contract document. If unauthorized commitment is disapproved for ratification (not ratified), the KO shall promptly notify the individual who made the unauthorized commitment, in writing, stating the reasons for disapproval and recommending the individual obtain legal advice (reference FAR 1.602-3 (d)). The KO must also advise the individual that the unauthorized commitment will be neither ratified nor paid in accordance with prescribed contracting methods of payment.

When an unauthorized commitment occurs using the P-Card, it is possible payment will be effected via the SMART PAY program even though the unauthorized commitment is not ratified. In these instances, the responsible individual may be billed, or a pay adjustment authorization may be initiated

Administration

Ratification of Unauthorized Commitments (continued)

- if the unauthorized commitment is not subsequently ratified.
- The COCO shall maintain a separate file containing a copy of each request for ratification and a record of the decision. The file shall also contain a copy of the purchase order if the request for ratification was approved. All such files will be maintained separately from other contract files for audit purposes.

Process: Ratifications shall be processed in accordance with Coast Guard Acquisition Procedures (CGAP), COMDTINST M4200.19 (series), Part 1201.602-390.

TABLE 1 OF FEDERAL STANDARD 313C

Federal Supply Class	Title
6310	Chemicals
6820	Dyes
6830	Gases: Compressed and liquefied
6840	Pest Control Agents and Disinfectants
6850	Miscellaneous Chemical Specialties
7930	Cleaning and Polishing Compounds and Preparations
8010	Paints, Dopes, Varnishes and Related Products
8030	Preservative and Sealing Compounds
8040	Adhesives
9110	Fuels, Solid
9130	Liquid Propellants and Fuels, Petroleum Base
9135	Liquid Propellant Fuels and Oxidizers, Chemical Base
9140	Fuel Oils
9150	Oils and Greases: Cutting, Lubricating, and Hydraulic
9160	Miscellaneous

Enclosure 1 to COMDTINST M4200.13F

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DEPARTMENT OF TRANSPORTATION PURCHASE/CREDIT CARD PROGRAM

I. GENERAL.

These policies and procedures implement the DOT Purchase/Credit Card Program. DOT encourages the use of the card for purchase and payment in accordance with [FAR Part 13.301](#).

II. APPLICABILITY.

These policies and procedures apply to all DOT operating administrations (OA) and all DOT employees delegated procurement authority under this program. OAs may authorize designated field offices to develop their own internal procedures to implement the DOT Purchase/Credit Card Program.

III. DEFINITIONS.

The definitions set forth below supplement those set forth in the [General Services Administration \(GSA\) Smart Pay contracts](#). The terms "small purchases" and "small purchase procedures" used throughout Attachment 1 mean "simplified acquisitions" and "simplified acquisition procedures."

A. "Agency/Organization Program Coordinator" (also referred to as Contracting Officer's Technical Representative) means an individual designated by the ordering agency/organization to perform contract administration within the limits of delegated authority. The individual shall have overall responsibility for the Purchase/Credit Card Program within their bureau, agency/organization or region and may determine who the approving officials or cardholders will be.

B. "Approving Official" means a Government employee(s) within the OA who has a number of cardholders under his/her purview and determines that cardholders' purchases are made within applicable regulations, policies, and procedures.

C. Reserved.

D. "Card Issuing Bank" means the bank which issues cards to cardholders and submits monthly statements to cardholders, approving officials, and finance offices detailing amounts of purchases and credits made by cardholders.

E. "Cardholder" means the individual Government employee within the OA who is a warranted contracting officer or to whom a written delegation of procurement authority (DPA) has been issued by the cognizant Chief of the Contracting Office (COCO) or designee granting the use of the purchase/credit card.

F. "Cardholder Statement" means a monthly statement submitted by the card issuing bank to each cardholder itemizing all purchase and credit transactions made within the established billing period.

G. "Delegation of Procurement Authority (DPA)" means the authorization given by the COCO, or a designee appointed by the COCO with appropriate procurement authority, granting specific procurement authority to the individual Government employee for use of the purchase/credit card. OAs may choose to use the issuance of the purchase card as the DPA. In this case, the information required to establish a cardholder account is sufficient "documentation." Use of this method does not change any of the existing FAR, TAR, or TAM requirements, including the training, recordkeeping, and monitoring requirements.

H. "Disputes Contact" means a Government employee(s) within the OA who is responsible for resolving disputed purchases, credits for sales tax refunds, and credits for billing errors with the card issuing bank.

I. "DOT Contracting Officer's Technical Representative (COTR)" (also referred to as Agency Program Coordinator) means the Government employee designated to perform contract administration functions within the limits of delegated authority and who serves as the liaison between the card issuing bank and the OA. The DOT COTR is located in the Transportation Administrative Service Center (TASC).

J. "Finance Office Contact" means a Government employee(s) within the OA who has the responsibility for responding to payment inquiries from the COTRs, card issuing bank, approving officials and cardholders.

K. Reserved.

L. "Monthly Cardholder Purchase Limit" means the spending limit imposed on a cardholder's cumulative purchases in a given month.

M. "Monthly Office Limit" means the monthly spending limit imposed on each approving official's account.

N. "Nonexpendable Personal Property" means property which has a normal life expectancy of more than one year, has continuing use as a self-contained unit, is not consumed in use, does not lose its identity when put to use, or does not ordinarily become a non-severable component of other property.

O. Organization Program Coordinator means the Government employee within the OA who will perform administration of the technical requirements of the Purchase/Credit Card Program within the OA.

P. "Single Purchase Limit" means the spending limit imposed on a cardholder for individual purchase/credit card transactions.

IV. PROGRAM STRUCTURE.

The design of the DOT Purchase/Credit Card Program is based on a hierarchical system developed to accommodate varying organizational structures within agencies.

V. OA RESPONSIBILITIES.

A. Internal Procedures. Each OA shall:

1. Develop written internal Purchase/Credit Card Program procedures within the scope of the applicable GSA contract. The minimum elements to be addressed are set forth therein;
2. Ensure that all prospective approving officials understand and comply with the validation requirements.
3. Submit approved purchase/credit card information to the card issuing bank;
4. Submit changes to cardholder single purchase or monthly purchase limits, or approving official monthly office limits to the card issuing bank;
5. Submit account cancellations to the card issuing bank; and
6. Coordinate the card reissuance report with approving officials and inform the card issuing bank which purchase/credit cards should be reissued. (Note: Renewal cards will not be reissued without prior approval.)

B. OA Organization Program Coordinator. Each OA shall:

1. Appoint an Organization Program Coordinator, generally located within the Headquarters office, who will have overall responsibility for administering the Purchase/Credit Card Program within the OA.
2. Provide the COTR name, work address, routing symbol, room and telephone numbers to the Agency Program Coordinator (TASC). The OA Organization Program Coordinator will be the OA's central point of contact for Smart Pay Program related issues.

C. Training. Each OA shall develop training which will ensure that potential approving officials and cardholders fully understand their responsibilities regarding procurement regulations, finance requirements and internal procedures under the Purchase/Credit Card Program. The OA shall ensure that all prospective cardholders

understand and comply with the monthly statement validation requirements, as set forth in the applicable GSA Smart Pay contract. Purchase/credit cards shall not be issued to potential cardholders until they have received training. OAs may contact the Agency Program Coordinator in SVC-180 for assistance and information regarding existing training videos and manuals.

1. *Procurement Training.* Procurement training shall, at a minimum, address the requirements of Federal Acquisition Regulation (FAR) Part 3 (Improper Business Practices and Personal Conflicts of Interest), Part 8 (Required Sources of Supplies and Services), Part 13 (Simplified Acquisition Procedures), Part 22 (Acquisition of Labor Laws to Government Acquisitions), Part 25 (Foreign Acquisition), the corresponding Transportation Acquisition Regulation (TAR); Transportation Acquisition Manual (TAM); the applicable GSA contract; and internal OA procedures.

2. *Finance Training.* Finance training shall, at a minimum, address the requirements for safekeeping of purchase/credit cards and account numbers, retention of receipts for charges and credits for purchases, returns and disputed items, record keeping for purchase/credit card purchases, timely validation of monthly statements of account, summarization of accounting data on monthly statements of account, procedures to follow for account set-up, account changes and cancellation, disputes resolution, and procedures to follow if a purchase/credit card is lost or stolen.

3. *Property Control Training.* OAs are encouraged to include property management and control training to address the requirements for notifying the appropriate officials (i.e., property manager, property officer, property accountable officer) of delivery of non-expendable personal property in order to assure proper handling and inventory control of items ordered using the purchase/credit card.

D. Delivery Order Issuance. To begin participation in the Smart Pay Program, each OA or designated field office must submit a delivery order (D.O.) to the card issuing bank requesting participation in the program. A copy of the developed internal procedures must be forwarded as an attachment to the D.O. The D.O. may be prepared on an OF 347, Order for Supplies or Services, or may be submitted in letter format. At a minimum, the D.O. should provide names and telephone numbers for the OA Organization Program Coordinator, the Finance Office Contact, and the Disputes Office Contact. OAs may assign a different individual for each of these contact points, may elect to assign one individual for each of the contact points, or may assign more than one individual to each of the contact points. See the [GSA Smart Pay](#) website for more information.

E. Account Set-Up. The card issuing bank will provide the cardholder and approving official with account information in accordance with the applicable GSA contract.

1. *Qualifications.* OAs are responsible for determining the professional responsibility of prospective cardholders and approving officials.

2. *Account Set-Up Forms.* Set-up forms completed by prospective approving officials and cardholders should be sent to the OA Organization Program Coordinator or designee, for review. The OA Organization Program Coordinator or designee, will review each approving official and cardholder application for accuracy and completeness. The prospective cardholder set-up form should be approved by the cognizant approving official, who shall forward the form to the card issuing bank for processing and issuance of the purchase/credit card.

3. *Purchase Limitations.* The purchase limitations which are established under the Smart Pay Program should generally be based upon budgetary constraints, actual need, and the ability of the procuring office to monitor compliance.

a. *Single Purchase Limit.* The cognizant approving official will determine the single purchase limit when initiating each cardholder's account set-up form. The approving official shall consider the requirements in VII, C, Use of the Purchase/Credit Card when determining the purchase limits.

(1) A single purchase/credit card transaction may consist of the purchase of a number of individual items, the sum of which (including any shipping costs) may not exceed the single transaction purchase limit. A requirement which would exceed an individual cardholder's single transaction purchase limitation shall not be divided or "split" into two or more transactions to stay under the single transaction purchase limitation. The single transaction purchase limit for non-warranted personnel generally may not exceed \$2,500. APCs must consider the requirements in Section VII, C, 1 before authorizing a single purchase limit over \$2,500.

(2) Except for credit card purchases of training services which are limited to the micro-purchase threshold of \$2,500 (FAR 2.101), cardholders may be authorized single transaction purchase limits up to the simplified acquisition threshold limit as defined in [\(FAR\) 48 CFR Part 13](#).

b. *Monthly Cardholder Purchase Limit.* The cognizant approving official will determine the monthly purchase limit for each cardholder under his or her purview.

c. *Monthly Office Limit.* The monthly office limit is the total monthly limit established for each approving official's account by the funds administrator/accounting certification official. This figure is generally computed by combining the monthly purchase limits of all cardholders under the approving official's purview. It should be noted that whenever a cardholder's monthly purchase limit is increased, the corresponding approving official's monthly office limit must also be increased accordingly. Failure to do so may result in purchase/credit card transaction delays.

4. *Finance office reports.* The finance office will receive monthly finance office reports from the card issuing bank which will have summary totals of all of the purchases and credits of approving officials under their cognizance. The finance office report generally represents the invoice from the bank.

VI. INDIVIDUAL RESPONSIBILITIES.

The following are some examples of Smart Pay Program official responsibilities:

A. HCA. The HCA is responsible for the overall operation of the Purchase/Credit Card Program within their organization and may delegate the responsibilities delineated below to the OA COTR or other designated official(s) as they determine appropriate. These responsibilities include:

1. Taking appropriate action to inform organizations within the OA that the DOT Purchase/Credit Card Program is available for use;
2. Distributing account set-up forms to prospective cardholders and approving officials;
3. Coordinating training for cardholders and approving officials;
4. Approving applications for cardholders and approving officials;
5. Approving changes in authorized merchant codes, single and monthly cardholder purchase limits, single and monthly office spending limits;
6. Canceling purchase/credit card privileges of cardholders; and
7. Receiving monthly management reports from the card issuing bank.
8. Appointing the OA organization Program Coordinator.

B. OA Organization Program Coordinator. The OA Organization Program Coordinator or designee will generally perform all technical aspects of contract administration and will be the primary liaison between the finance office, disputes contact, and the card issuing bank. The OA Organization Program Coordinator or designee will have responsibility for:

1. Ensuring each designated cardholder receives training; and
2. Making the tax exempt number available to cardholders and approving officials.
3. Ensuring proper destruction of any information management reports related to the program.

C. Finance Office Contact. The finance office contact is generally responsible for payment of all authorized and certified purchases to the card issuing bank. Finance offices will receive reports from the card issuing bank which will have summary totals of all of the purchases and credits of approving officials under their cognizance. The finance

office report generally represents the invoice from the bank. The finance office will have responsibility for:

1. Certifying for payment all authorized card transactions;
2. Reviewing the approving official statements along with the accompanying cardholder's statements to verify that the transactions were authorized and that goods or services were received and accepted or returned;
3. Reconciling the cardholder's statements to summary totals on the approving official's statement, including annotating and resolving any discrepancies with the approving official prior to releasing payment; and
4. Making payment to the card issuing bank in accordance with the Prompt Payment Act. Accordingly, if finance offices receive late approving official statements, interest penalties may be incurred.

D. Approving Official. The approving official will generally be responsible for nominating potential cardholders within his or her purview and for administering the Purchase/Credit Card Program for those cardholders. The following are some examples of approving official responsibilities:

1. Preparing and submitting cardholder and approving official account set-up information, and maintaining forms and other required information to the OA Organization Program Coordinator or designee;
2. Determining the appropriate dollar amount of single transaction purchase limits for each cardholder under his/her purview;
3. Ensuring that all cardholders validate account purchases and credits itemized on cardholder statements within seven calendar days after receipt or in the absence (planned or otherwise) of the cardholders, reconciling the cardholder's monthly statements within seven days after receipt;
4. Verifying that all purchases by cardholders were authorized purchases;
5. Ensuring the proper accounting classification data and any disputed items are clearly documented;
6. Promptly processing for payment all cardholder's monthly statements of account;
7. Initiating appropriate action if a cardholder uses a purchase/credit card in an unauthorized manner, including cancellation of the cardholder's account and disciplinary action if appropriate; and
8. Confirming written notification to the card issuing bank and OA within five

working days following the loss or theft of a purchase/credit card.

E. Cardholder. The cardholder is responsible for executing purchase/credit card transactions within the limits of his/her DPA; complying with the FAR, TAR, TAM, the applicable GSA contract, and internal OA guidance; and verifying that:

1. Purchases and credits itemized on his or her monthly cardholder statement of account are only for goods or services received or returned;
2. Sales tax has not been charged;
3. Merchants have not charged the account prior to the date of shipment; and
4. Merchants have not passed on their MasterCard interchange fees to the Government.

Care shall be exercised by all Purchase/Credit Card Program officials to safeguard cardholder account information when disposing of management or financial reports received from the card issuing bank.

VII. GENERAL SMART PAY PROGRAM INFORMATION.

A. Receipt of the Purchase/Credit Card. The card issuing bank will send the card directly to the cardholder at the work address specified on the set-up form. Upon receipt of the purchase/credit card, the cardholder must immediately sign the acknowledgement form and return it to the card issuing bank. Failure to do so will result in generation of the Card Receipt Acknowledgement Outstanding Report to the cognizant approving official.

B. Purchase/Credit Card Appearance. The Smart Pay card is easily discernible in its appearance from personal commercial credit cards.

C. Use of the Purchase/Credit Card.

1. In accordance with [\(FAR\) 48 CFR Part 13.301](#), purchase cards can be used to: 1) make micro-purchases; 2) place a task or delivery order (if authorized in the basic contract, basic ordering agreement, or blanket purchase agreement); or 3) make payments, when the contractor agrees to accept payment by the card.

(a) Purchase cards cannot substitute for the acquisition process. The purchase card may be used as a payment mechanism, but not a contracting mechanism. Cardholders with delegations in excess of \$2,500 are required to follow all the appropriate competition and documentation requirements as defined in [\(FAR\) 48 CFR Part 13](#) including notice, competition, and documentation. If a purchase over \$2,500 is anticipated and the product or service is not being acquired under an existing contract, the cardholder must include all applicable FAR and TAR clauses in solicitation/award documents. The purchase may be confirmed and the clauses included in an e-mail.

However, do not include the purchase card number in the message. Clauses are not required if the purchase is made under an existing contract such as a GSA schedule or BPA in which clauses have been included.

(b) Delegations shall include the above information and any limitation on the types of procurements a cardholder can make over \$2,500.

2. Use of the purchase/credit card shall be restricted to Government personnel who have received proper training in the use of the card. Furthermore, except as authorized by the applicable GSA contract, the only person authorized to use the card is the person whose name appears on the purchase/ credit card. Permitting someone else to use an individual cardholder's purchase/credit card, even within the same program office or activity, may result in disciplinary action and/or cancellation of cardholder privileges. Additionally, the purchase/credit card shall not be issued to or used by contractor personnel under any circumstances.

3. Cardholders should always notify the vendor/contractor not to charge the card for the purchases until shipment is made and that purchases are for official U.S. Government purposes and, therefore, are tax exempt.

4. Cardholders shall review all potential acquisitions, including imprest fund transactions, to determine whether the procurement can be accomplished through the use of the Smart Pay Program. If the vendor/contractor accepts the purchase/credit card, the purchase shall be made in accordance with these procedures.

D. Unauthorized use of the Purchase/Credit Card.

1. *Prohibited Use of the Purchase/Credit Card.* In addition to the limitations on the use of the Smart Pay Program purchase/credit card set forth in the applicable GSA contract, the purchase/credit card shall not be used for the following:

- a. Personal purchases or as identification when cashing a personal check; and
- b. Open market purchase of items available from mandatory sources.

2. *Regulated Purchases.* Each OA must determine if they will permit use of the purchase/credit card for circumstances which have been designated as regulated purchases in the applicable GSA contract. If regulated purchases are authorized in accordance with OA procedures, the required level of approval within the OA must be specified, and OA procedures must specifically address the situations when the purchase of regulated items are permitted.

3. *GAO Special Interest Items.* GAO decisions surrounding the concept of the "availability of appropriations" are often stated in terms of whether appropriated funds are or are not "legally available" for a given expenditure. Restrictions on the purposes for which appropriated funds may be used come from a variety of sources, including the

Constitution, DOT Appropriations Acts, and decisions of the Comptroller General and his predecessor, the Comptroller of the Treasury. OAs are encouraged to review the GAO publication entitled Principles of Federal Appropriations Law ([Volume 1](#), [Volume 2](#), and [Volume 3](#)) and provide coverage of the above areas when developing its Purchase/Credit Card Program procedures. A number of the more common restrictions which "accounting officers of the Government" have had frequent occasion to consider and apply include:

- a. Payment of attorney's fees;
- b. Purchase of entertainment and recreation;
- c. Payment of personal membership fees; and
- d. Payment of personal expense items such as gifts for employees, entry fees for contests, medals or trophies, and coffee/donuts for conferences or meetings.

E. Fund Control.

1. Each OA shall include in its internal controls the method it will use to control funds within the purchase/credit card program. The internal controls must effectively ensure that funds are not expended in excess of the appropriation.

2. The use of an individual Purchase Request (PR) for each purchase/credit card transaction is optional; however, all purchase transactions made by a cardholder shall be supported by a certification of funds availability and an accountable document (e.g., a sales slip for over-the-counter purchases, invoices, packing slips, and a telephone log for telephone purchases).

3. Funds may be controlled in the finance office or by the approving official. The following approaches are provided as suggestions and are not intended to be the only means of funds control to be used in the purchase/credit card program:

- a. The monthly limit for each approving official may be used by the finance office to commit at the beginning of each monthly card billing cycle. When approving officials forward their monthly statements, the amount of the recorded commitment will be reversed and expenditures will be recorded for the net amount of purchases made for the month.

- b. The approving official may exercise fund control by establishing annual, quarterly or monthly commitment accounts for each cardholder under his/her purview, from which the cardholder could draw down when making purchases with the card.

4. Because PRs or other funding documents are not generally distributed to finance offices for obligation purposes under the Smart Pay Program, OAs need to pay special attention to end of fiscal year purchases to ensure funds are obligated timely to preclude the loss of funds.

F. Validation of Purchases. Individual cardholders, approving officials and finance offices are responsible for verifying, validating and certifying for payment all authorized card purchases in accordance with paragraph VI. above and OA implementing procedures.

G. Billing Disputes. Cardholders are responsible for disputing any erroneous charges appearing on the monthly cardholder statement of account. Items returned to vendors and charges by a merchant before the date of shipment are examples of disputable items.

1. Cardholders must transmit to the card issuing bank a completed Dispute Form for disputed items within seven calendar days after receipt of the monthly statement. This form will be provided by the card issuing bank. A copy of the form must also be provided with the cardholder's statement to the cognizant approving official.

2. An example of an item which cannot be disputed with the card issuing bank is sales tax. Since purchases made with a U.S. Government purchase/credit card are tax free, the cardholder must contact the vendor and request a credit for the amount of sales tax charged, if the disputed charge involves sales tax erroneously charged to the purchase. Cardholders may provide the merchant with the card issuing bank's toll free number on the back of the purchase/credit card, if the merchant questions the sales tax exemption. Currently, all states have submitted letters acknowledging that the Government purchase/credit card qualifies for sales tax exemption.

H. Costs of the Program. The card issuing bank, in accordance with the applicable GSA contract, receives payment for providing services from these sources:

1. *Late payments*. If an OA makes a late payment to the card issuing bank, interest will be paid for the number of days late, computed at the Renegotiation Board Interest Rate.

2. *MasterCard Interchange Fees*. The card issuing bank receives payment from MasterCard for interchange fees, which are paid by vendors which accept Government purchase/credit cards for purchases. The interchange fees compensate the card merchant bank, card issuing bank, and MasterCard, which comprise the purchase/credit card network.

I. Lost or Stolen Purchase/Credit Cards. The minimum notification requirements are set forth in the applicable GSA contract. Failure to notify the card issuing bank immediately of the loss or theft could result in the OA being liable for subsequent purchases charged to the card.

J. Refunds. The refund table for the current Smart Pay contract is located on the [GSA Smart Pay website](#).

K. Purchase/Credit Card Cancellations. The OA Organization Program Coordinator or designee, will have the responsibility for canceling purchase/credit cards due to

retirement, resignation, death, or termination of employment in accordance with established OA purchase card/credit card procedures. The procedures should provide for prompt notification of cancellation so that the proper forms may be submitted to the card issuing bank. Other grounds for purchase/credit card cancellation include charge balances, or using a Government purchase/credit card for personal use.

L. Personal Use. Disciplinary action will be taken against individuals using the Government purchase/credit card for personal use. Disciplinary action can range from a letter in the cardholder's official personnel file to a termination action, based upon the facts involved regarding the documented personal purchases and the OA Purchase/Credit Card Program procedures.

M. Liabilities.

1. *Purchase(s) by an unauthorized person*. OAs will not be liable for any use of purchase/credit cards by a person who does not have actual or implied authority to utilize the purchase/credit card, provided that reasonable efforts are made to promptly notify the card issuing bank by telephone and in writing when purchase/credit cards are lost or stolen.

2. *Unauthorized purchases by cardholders*. OAs will be liable for unauthorized purchases made by cardholders, provided that:

- a. The purchase was made through an approved merchant; and
- b. The amount of the purchase did not exceed the cardholder's single purchase or monthly spending limits.

N. Checks

Checks are another instrument used for paying goods and services and should be treated just like the purchase card (i.e. documentation, etc.). They are for official use only and cost DOT 1.9% of the total of the check.

VIII. WRITTEN PROCEDURES, AUDIT AND REVIEW OF PURCHASE/CREDIT CARD TRANSACTIONS.

A. Written procedures developed by the OAs implementing the Purchase/Credit Card Program within their organizations must incorporate tight management controls to preclude abuse and outline courses of action in case abuses occur.

B. Each participating COCO must maintain oversight of the Purchase/Credit Card Program through regularly scheduled and/or randomly scheduled procurement reviews of purchase/credit card transaction logs and documentation. These reviews shall include Standard Industry Classification (SIC) Code reviews or similar random sampling reviews. These reviews may be performed in conjunction with regularly scheduled

reviews (see TAM 1201.671) or as a separate review function. Some areas to specifically cover include:

1. Adequate funding;
2. Splitting orders;
3. Including appropriate clauses for items purchased on the open market;
4. Small business set aside compliance;
5. Purchase of improper items;
6. Use of purchase/credit cards by other than authorized users; and
7. Informal ratification of unauthorized commitments.

Enclosure (2) to COMDTINST M4200.13F

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SAMPLE BLANKET PURCHASE AGREEMENT

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (VRS), Office of Federal Acquisition Policy, GSA, Washington, DC 20405.

OMB No.: 9000-0136
Expires: 09/30/98

STANDARD FORM 1449 (10-95) BACK

Order Number: DTCCG8-98-A-PBDZZB

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1. EXTENT OF OBLIGATION: The Government is obligated under this Blanket Purchase Agreement only to the extent of authorized calls actually placed against this agreement.

2. PURCHASE LIMITATION: No call placed under this agreement shall exceed the amount specified for each individual listed in paragraph 7.

3. ORDERING PROCEDURES AND LIMITATIONS: A. Call Orders. Calls placed under this BPA will generally be made by oral solicitation without a written confirmation by the Government. Each call will be assigned an identification (call) number. The last five positions of the number will identify the month the call is placed (OCT - 01; NOV - 02; DEC - 03, etc.) and a serial number of the action (call) within the month. The positions preceding the last five digits will designate a call code. For example:

<u>OFFICE CODE</u>	<u>MONTH</u>	<u>ACTION SERIAL NUMBER</u>
HTH010	03	040

These instructions for the identification of calls against the BPA shall be used (along with the BPA number shown in Block 4 of the SF 1449) when calls are placed by the ordering activity and by the vendor in the preparation of delivery tickets and invoices.

Authority to Place Calls. All calls placed with the vendor under this BPA must be accompanied by a BPA Call Number, assigned by the Contracting Officer.

4. NOTICE OF INDIVIDUALS AUTHORIZED TO PURCHASE UNDER THIS BPA AND DOLLAR LIMITATIONS.

The following lists individuals authorized to place calls hereunder, their dollar limitations and call numbers.

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<u>Name</u>	<u>Call Limit</u>	<u>Call Number</u>
SK1 P.J. Moore	\$25,000	HRF 020
Frances Smith	\$2,500	TSP 040
CWO R.L. Jones	\$25,000	LPT 050

5. **DELIVERY TICKETS:** All shipments under this agreement shall be accomplished with delivery tickets, or sales slips, which shall contain the following minimum information:

- a . name of supplier;
- b . Blanket Purchase Agreement number;
- c . Date of call;
- d . Call number
- e . Itemized list of supplies or services furnished;
- f . Quantity, unit price and extension of each item less applicable discounts (unit prices and extension need not be shown when incompatible with the use of automated systems, provided that the invoice is itemized to show this information); and
- g . Date of delivery or shipment

6. **INVOICES.** A summary invoice shall be submitted at least monthly for all deliveries made during a billing period, identifying the delivery tickets covered therein, stating their total dollar value and supported by receipted copies of the delivery tickets. Invoices shall be submitted to the U.S. Coast Guard Finance Center, at the address shown in block 18a. of the SF 1449.

7. **FEDERAL SUPPLY SCHEDULE ORDERS.** When appropriate and authorized by the Federal Supply Schedule, orders under the schedule may be placed under this Blanket Purchase Agreement. In the event of any inconsistency between provisions of the Federal Supply Schedule and this Blanket Purchase Agreement, the Federal Supply Schedule shall govern.

8. **DELIVERY (TRANSPORTATION) TERMS.** Delivery F.O.B. term shall be agreed upon by the authorized caller and contractor at the time each call is

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placed. Delivery term will normally be F.O.B. Destination, unless there are valid reasons to the contrary. If the delivery term agreed upon is F.O.B. Shipping Point, the following provision will apply:

"PREPAID SHIPMENT - REIMBURSABLE TRANSPORTATION"

Transportation charges shall be prepaid by the contractor subject to reimbursement by the Government. Material will be delivered F.O.B. supplier's plant, Bethany, MD, with shipment to be made to the destination(s) specified herein.

The transportation cost is to be shown on the same invoice as supplies are billed but as a separate item. The contractor agrees to retain related transportation billings paid separately for a period of three years and to furnish such bills to the Government when requested for audit purposes.

INCORPORATION OF CLAUSES

In addition to FAR 52.212-4, which is incorporated by reference (ref. Block 27b of SF 1449), the following clause is included and appears in full text.

FAR 52.212-5, Contract Terms and Conditions Required to Implement Statutes or Executive Orders - Commercial Items (Dec 2001)

(a) The Contractor shall comply with the following FAR clauses, which are incorporated in this contract by reference, to implement provisions of law or executive orders applicable to acquisitions of commercial items:

- (1) 52.222-3, Convict Labor (E.O. 11755).
- (2) 52.233-3, Protest after Award (31 U.S.C. 3553).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items or components:

[Contracting Officer must check as appropriate.]

___ (1) 52.203-6, Restrictions on Subcontractor Sales to the Government, with Alternate I (41 U.S.C. 253g and 10 U.S.C. 2402).

___ (2) 52.219-3, Notice of Total HUBZone Small Business Set-Aside (Jan 1999).

___ (3) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (Jan 1999) (if the offeror elects to waive the preference, it shall so indicate in its offer).

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☐ (4)(i) 52.219-5, Very Small Business Set-Aside (Pub. L. 103-403, section 304, Small Business Reauthorization and Amendments Act of 1994).

☐ (ii) Alternate I to 52.219-5.

☐ (iii) Alternate II to 52.219-5.

☐ (5) 52.219-8, Utilization of Small Business Concerns (15 U.S.C. 637 (d)(2) and (3)).

☐ (6) 52.219-9, Small Business Subcontracting Plan (15 U.S.C. 637(d)(4)).

☐ (7) 52.219-14, Limitations on Subcontracting (15 U.S.C. 637(a)(14)).

☐ (8)(i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).

☐ (ii) Alternate I of 52.219-23.

☐ (9) 52.219-25, Small Disadvantaged Business Participation Program-Disadvantaged Status and Reporting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

☐ (10) 52.219-26, Small Disadvantaged Business Participation Program-Incentive Subcontracting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

☐ (11) 52.222-21, Prohibition of Segregated Facilities (Feb 1999)

☒ (12) 52.222-26, Equal Opportunity (E.O. 11246).

☒ (13) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (38 U.S.C. 4212)

☒ (14) 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793).

SAMPLE BLANKET PURCHASE AGREEMENT

Order Number: DTCGG8-98-A-PBDZZB

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☒ (15) 52.222-37, Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (38 U.S.C. 4212).

☐ (16) 52.222-19, Child Labor-Cooperation with Authorities and Remedies (E.O. 13126).

☐ (17)(i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products (42 U.S.C. 6962(c)(3)(A)(ii)).
☐ (ii) Alternate I of 52.223-9 (42 U.S.C. 6962(i)(2)(C)).

☐ (18) 52.225-1, Buy American Act-Balance of Payments Program-Supplies (41 U.S.C. 10a - 10d).

☒ (19)(i) 52.225-3, Buy American Act-North American Free Trade Agreement-Israeli Trade Act-Balance of Payments Program (41 U.S.C. 10a - 10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note).
☐ (ii) Alternate I of 52.225-3.
☐ (iii) Alternate II of 52.225-3.

☐ (20) 52.225-5, Trade Agreements (19 U.S.C. 2501, *et seq.*, 19 U.S.C. 3301 note).

☐ (21) 52.225-13, Restriction on Certain Foreign Purchases (E.O. 12722, 12724, 13059, 13067, 13121, and 13129).

☐ (22) 52.225-15, Sanctioned European Union Country End Products (E.O. 12849).

☐ (23) 52.225-16, Sanctioned European Union Country Services (E.O. 12849).

☐ (24) 52.232-33, Payment by Electronic Funds Transfer-Central Contractor Registration (31 U.S.C. 3332).

☐ (25) 52.232-34, Payment by Electronic Funds Transfer-Other than Central Contractor Registration (31 U.S.C. 3332).

☐ (26) 52.232-36, Payment by Third Party (31 U.S.C. 3332).

☐ (27) 52.239-1, Privacy or Security Safeguards (5 U.S.C. 552a).

SAMPLE BLANKET PURCHASE AGREEMENT

Order Number: DTCGG8-98-A-PBDZZB

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- ___ (28)(i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241).
___ (ii) Alternate I of 52.247-64.

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, which the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

[Contracting Officer check as appropriate.]

___ (1) 52.222-41, Service Contract Act of 1965, As Amended (41 U.S.C. 351, *et seq.*).

___ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

___ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act-Price Adjustment (Multiple Year and Option Contracts) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

___ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act-Price Adjustment (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

___ (5) 52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement (CBA) (41 U.S.C. 351, *et seq.*).

(d) *Comptroller General Examination of Record.* The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.2152, Audit and Records-Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

SAMPLE BLANKET PURCHASE AGREEMENT

Order Number: DTCGG8-98-A-PBDZZB

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(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) or (d) of this clause, the Contractor is not required to include any FAR clause, other than those listed below (and as may be required by an addenda to this paragraph to establish the reasonableness of prices under Part 15), in a subcontract for commercial items or commercial components-

- (1) 52.222-26, Equal Opportunity (E.O. 11246);
- (2) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (38 U.S.C. 4212);
- (3) 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793);
- (4) 52.247-64, Preference for Privately-Owned U.S. Flag Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontracts awarded beginning May 1, 1996); and
- (5) 52.222-41, Service Contract Act of 1965, As Amended (41 U.S.C. 351, *et seq.*).

BPA INSTRUCTION LETTER FOR FOOD SERVICE SPECIALISTS

THIS INSTRUCTION LETTER IS TO BE USED IN ACCORDANCE WITH CGAP 1201.603-1 (f)(1) AND CHAPTER 7. OF THE SIMPLIFIED ACQUISITION PROCEDURES HANDBOOK, FOR FOOD SERVICE SPECIALISTS ON CUTTERS FOR SUBSISTENCE ITEMS ONLY.

You are designated as an authorized Blanket Purchase Agreement (BPA) caller under BPA number (s):

In exercising your authority as an authorized caller, the following procedures must be followed:

CALLS, \$2,500 OR LESS:

1. Review the purchase request (PR) for completeness (accounting data, required delivery date, approval signatures, etc.).
2. After determining that an open market purchase is appropriate, check the BPA logs to determine if a source with a BPA is available to supply the requested items.
3. Examine the BPA logs to decide which firm with a BPA has received the most recent BPA call and utilize the BPA supplier which should receive the next call. Remember, calls under \$2,500 must be rotated among suppliers.
4. Call the vendor and request a quote on the items listed on the purchase request. If pricing is reasonable, supplier can meet required delivery date on the PR and total of the order is less than \$2,500, place the call. Document the call record sheet to include the information required on attached call record sheet, for example: your signature (as authorized caller), date of the call, call number, amount of call, etc.

CALLS OVER \$2,500.

1. When a purchase request is received / generated which is estimated to exceed \$2,500, but not in excess of \$25,000, you must obtain at least 3 competitive quotations. Sources may include companies which have BPAs and other commercial sources.
2. Document the quotes received on an abstract of quotes or other acceptable form (i.e., procurement request).
3. If the lowest competitive quote is from a company which has a BPA, proceed as follows: include the documentation of competitive quotes in the call file. Documentation should indicate the firm offering the lowest total price.
4. Provide documentation to the contracting officer. The Contracting Officer shall indicate approval by signing in the "Signature of Caller:" block of the call record sheet. Place the BPA call (not in excess of \$25,000) with the vendor offering the

lowest price. Fill in the remainder of the BPA call record sheet as described in number 4 above.

If the lowest competitive quote is from a source which does not have a BPA, the action should be awarded on a SF 1449, Solicitation/Contract/Order for Commercial Items, and signed by a warranted contracting officer.

THIS AUTHORITY IS FOR FOOD SERVICE SPECIALISTS BUYING
SUBSISTENCE ITEMS ONLY.

BY SIGNING BELOW, YOU AGREE TO THE CONDITIONS AND LIMITATIONS
OF THIS AUTHORITY:

Food Service Specialist

Contracting Officer

THIS INSTRUCTION LETTER, WHEN SIGNED, SHALL BE PLACED IN THE
APPLICABLE BPA FILE (S).

SAMPLE BPA CALL RECORD SHEET
BLANKET PURCHASE AGREEMENT
CALL RECORD SHEET

BPA PERIOD 10/01/98 - 9/30/99

VENDOR NAME: Golden hill Sand and Gravel

DOCUMENT NUMBER 38-98-G88PBDZZB OPFAC 12345

UNIT NAME USCG STATION B, OCEAN CITY, MD

MONTH January

DATE OF CALL	CALL NO.	SIGNATURE OF CALLER	DESCRIPTION	VENDOR TICKET #	AMOUNT OF CALL	CALL SUFFIX
1/05	00010	SK1 Moore	Sand for fe div.	L25484	\$250.00	A04
1/09	00011	CWO Jones	Gravel for Road	L25520	\$1500.00	A04
1/15	00012	Frances Smith	Sand for box	L24575	\$800.00	A04
MONTHLY TOTAL					\$2550.00	

Enclosure (5) to COMDTINST M4200.13F

ACCOUNTING DATA: 2/6/801/133/30/0/GP/12484/2625

SUFFIX A04 TOTAL \$2550.00

SUFFIX _____ TOTAL _____

SUFFIX _____ TOTAL _____

SUFFIX _____ TOTAL _____

SUFFIX _____ TOTAL _____

SUFFIX _____ TOTAL _____

Notes:

COMMERCIAL SIMPLIFIED ACQUISITION ORDER PROVISIONS AND CLAUSES

SOLICITATION PROVISIONS (Reference Block 27a. of the SF 1449). Include these provisions, as indicated below in simplified acquisition solicitations.

Include this provision in full text since it has been tailored to apply to simplified acquisition. Otherwise, it can be included in addenda to the SF 1449, indicating which paragraphs have been changed. The tailoring performed in this clause includes changing the term "offer" to "quote" and deleting the paragraphs noted below.

1. FAR 52.212-1 Instructions to Offerors - Commercial Items (OCT 2000)

As described in FAR 12.301(b)(1), this provision provides a single, streamlined set of instructions to be used when soliciting offers for commercial items and is incorporated in the solicitation by reference. The KO may tailor these instructions or provide additional instructions tailored to the specific acquisition in accordance with 12.302.

2. 52.212-2 Evaluation-Commercial Items (Jan 1999)

Pursuant to FAR 12.301(c), include this provision in full text including evaluation factors, if awarding a simplified acquisition using the best value technique.

3. 52.212-3 Offeror Representations and Certifications Commercial Items. (APR 2001)

Pursuant to FAR 12.301(b)(2), include this provision in full text for all commercial simplified acquisitions. If you are obtaining oral quotes, you must obtain the information required in paragraphs (b), (c), (d) (if over \$10,000), (f), and (h).

4. 52.212-4 Contract Terms and Conditions-Commercial Items (MAR 2001)

Pursuant to FAR 12.301(b)(3), include the clause by reference in all commercial simplified acquisition solicitations and resulting purchase orders.

5. 52.212-5 Contract Terms and Conditions Required to Implement Statutes or Executive Orders- Commercial Items (May 2001)

Pursuant to FAR 12.301(b)(4), include this clause in **full text** in solicitations and resulting purchase orders for the acquisition of commercial items. This clause must be tailored by the contracting officer. This clause incorporates by reference only those clauses which are required to implement provisions of law or executive orders. The clauses listed below in bold face type are those clauses under subparagraph (b) which apply to simplified acquisition.

“(b) The Contractor shall comply with the FAR clauses in this paragraph (b) which the contracting officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

1. 52.203-6, Restrictions on Subcontractor Sales to the Government, with Alternate I (41 U.S.C. 253g and 10 U.S.C. 2402).
2. 52.219-3, Notice of Total HUBZone Small Business Set-Aside (JAN 1999) (Use when applicable.)
3. **52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (JAN 1999)** (Use when conducting a full and open competition.)
4. 52.219-5, Very Small Business Set-Aside (PUB. L. 103-403, section 304, Small Business Reauthorization and Amendments Act of 1994). (Use when applicable.)
5. 52.219-8, Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (15 U.S.C. 637(d)(2) and (3)).
6. 52.219-9, Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (15 U.S.C. 637(d)(4)).
7. 52.219-14, Limitation on Subcontracting (15 U.S.C. 637(a)(14)).

8. 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

9. 52.219-25, Small Disadvantaged Business Participation Program – Disadvantaged Status and Reporting (Pub. L. 103-555, section 7102, and 10 U.S.C. 2323).

10. 52.219-26, Small Disadvantaged Business Participation Program – Incentive Subcontracting (Pub. L. 103-555, section 7102, and 10 U.S.C. 2323).

11. **52.222-21, Prohibition of Segregated Facilities (Feb 1999)** Use if 52.222-26 applies.

12. **52.222-26, Equal Opportunity (E.O. 11246) (Use if over \$10,000).**

13. **52.222-35, Affirmative Action for Special Disabled and Vietnam Era Veterans (38 U.S.C. 4212).** (Applicable over \$10,000)

14. **52.222-36, Affirmative Action for Handicapped Workers (29 U.S.C. 793).** (Applicable over \$2,500.)

15. **52.222-37, Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212).** (Use if 52.222-35 applies.)

16. **52.222-19, Child Labor – Cooperation with Authorities and Remedies (E.O. 13126)**

17. 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products (42 U.S.C. 6962(c)(3)(A)(ii)).

18. **52.225-1, Buy American Act – Balance of Payments Program - Supplies (41 U.S.C. 10).**

19. **52.225-3, Buy American Act – North American Free Trade Agreement – Israeli Trade Act – Balance of Payments Program (41 U.S.C. 10a – 10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note).** Applies to procurements between \$25,000 and \$177,000.

20. 52.225-5, Trade Agreements (19 U.S.C. 2501, *et seq.*, 19 U.S.C. 3301 note).

21. **52.225-13, Restriction on Certain Foreign Purchases (E.O. 12722, 12724, 13059, 13067, 13121, and 13129).**

22. 52.225-15, Sanctioned European Union Country End Products (E.O. 12849).

23. 52.225-16, Sanctioned European Union Country Services (E.O. 12849)
24. 52.232-33, Payment by Electronic Funds Transfer – Central Contractor Registration (31 U.S.C. 3332).
25. 52.232-34, Payment by Electronic Funds Transfer – Other than Central Contractor Registration.
26. 52.232-36, Payment by Third Party (31 U.S.C. 3332).
27. 52.239-1, Privacy or Security Safeguards (5 U.S.C. 552a).
28. 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241)."

DEPARTMENT OF TRANSPORTATION SIMPLIFIED ACQUISITION (See Continuation on Page 2)	REQUISITION NO. <hr/> PURCHASE ORDER NO.
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Note: Enter an "X" in the box to the left of all applicable items.

1. Sources Considered: <div style="text-align: center;">SUPPLIES</div> <div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> 1. <input type="checkbox"/> DOT Inventories 2. <input type="checkbox"/> Excess from other Agencies 3. <input type="checkbox"/> Federal Prison Industries 4. <input type="checkbox"/> Blind/Severely Handicapped </div> <div style="width: 48%;"> 5. <input type="checkbox"/> Wholesale Supply Sources 6. <input type="checkbox"/> Mandatory Federal Supply Schedule Optional 7. <input type="checkbox"/> Optional Use Federal Supply Schedule Commercial 8. <input type="checkbox"/> Commercial </div> </div>	<div style="text-align: center;">SERVICES</div> 1. <input type="checkbox"/> Blind/Severely Handicapped 2. <input type="checkbox"/> Mandatory Federal Supply Schedule 3. <input type="checkbox"/> Optional Use Federal Supply Schedule 4. <input type="checkbox"/> Federal Prison Industries or Commercial
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2. Basis for Award: <input type="checkbox"/> Sole/proprietary source (Complete Blocks #3, #5, & #6 below) and page 2 <input type="checkbox"/> Not over \$2,500 (Complete Blocks #3 and #6 below) <input type="checkbox"/> Low quote/offer/GSA, FSS price (Complete Blocks #4 and #6 below) <input type="checkbox"/> Mandatory GSA/FSS or other agency contract (Complete Block #7 below)

3. Basis for determining price reasonableness: <input type="checkbox"/> Comparison with published price lists, catalogs, or advertisements Specify source(s): _____ <input type="checkbox"/> Comparison of quote(s) with prices paid previously for same or similar items List previous purchase order number(s): _____ <input type="checkbox"/> Lowest of 3 or more oral or written quotes, including previous supplier, if practicable. (Complete Block #4 below) <input type="checkbox"/> Personal knowledge of item procured. (Complete Block #7 below) <input type="checkbox"/> Needs a requiring activity decision in accordance with FAR 13.106-1(c)(1). (Document action in Block #7 below) <input type="checkbox"/> Unpriced order; explain reason and specify monetary limit (FAR 13.302(b)); include clause FAR 52.213-3 with order. <input type="checkbox"/> Other (Specify): _____

<input type="checkbox"/> 4. Competitive Procurement (Complete page 2 of form for oral quotations. Optional use permitted for written quotations, if all required information is contained in the quotation.)
--

<input type="checkbox"/> 5. Noncompetitive Procurement <input type="checkbox"/> Utility services available from only one source/educational services from nonprofit institution <input type="checkbox"/> Only known source of supply (Document in Block #7 below) <input type="checkbox"/> Other (if greater than \$2,500, state reasons for noncompetitive action in Block #7)

<input type="checkbox"/> 6. Small Business: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Provide rationale for awarding to other than a small business in Block #7 below (FAR 19.502-2)(5))

<input type="checkbox"/> 7. Remarks for Blocks No. _____, _____, _____, _____.

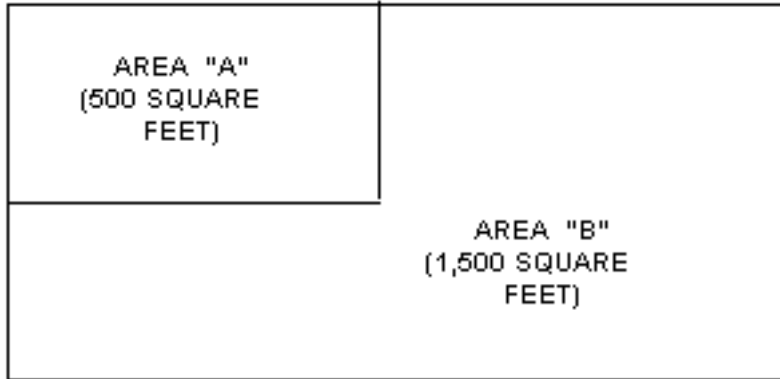
PREPARED BY (SPECIALIST/BUYER): (Signature)	DATE:
APPROVED BY (CONTRACTING OFFICER): (Signature)	DATE:

SMALL PURCHASE SUMMARY (CONT'D)								
Firm's Name								
Address/Tel. No./Fax No.								
Person Contacted								
Delivery Time								
F.O.B. Point								
Payment Terms.								
Type of Business: ED = Educational L = Large LS = Labor Surplus MB = Minority NP = Non-Profit S = Small WO = Woman-Owned								
GSA Contract No.								
DOL Wage Determination No.								
ITEM	QTY	UNIT	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION
Proposed Price								
Discount (Trade or Quantity)								
Estimated Shipping Cost								
Total price								
DUNS/TIN Number (provide to accounting office (FAR 4.6/FAR 4.9))								
<input type="checkbox"/> The firm or individual recommended for award does not appear on the debarred, ineligible, and/or suspended bidder's list.								

EXAMPLE OF DETERMINING PRICE REASONABLENESS BASED ON COMPETITION

Proper Pricing Example

A solicitation was issued for custodial services estimated to cost \$8,500. The area to be serviced are in two sections.



Quotations are allowed for areas A or B (split award), or both areas A & B (total award). An administrative cost of \$500 is included as an evaluation factor for split awards.

Four responses were received:

Vendor	Area A	Area B
1	\$1,900	\$5,700
2	NO BID	NO BID
3	\$1,800	NO BID
4	\$2,000	\$5,400

Vendor 3 has the lowest price for Area A before evaluation, but after adding the \$500 evaluation factor for the administrative costs of a multiple award, it is \$100 higher than Vendor 4 and \$200 higher than Vendor 1 (see below).

Evaluation of Service Area A award to Vendor 3:

Area A	\$1,800
<u>Evaluation Factor</u>	<u>500</u>
Total Evaluated Price	\$2,300

Evaluation of Service Area B award to Vendor 4:

Area B	\$5,400
<u>Evaluation Factor</u>	<u>500</u>
Total Evaluated Price	\$5,900

Total evaluated price for both service areas on split awards is \$8,200. A total award to Vendor 4 results in lower overall cost to the government, as shown below.

Evaluation of **total award** to Vendor 1:

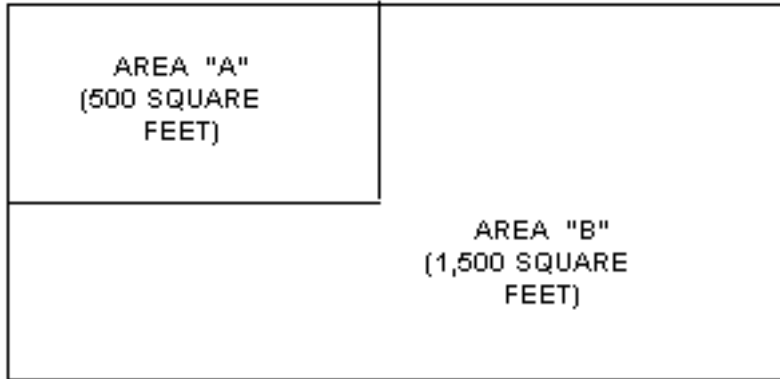
Area A	\$1,900
Area B	5,700
<u>Evaluation Factor</u>	<u>0</u>
Total Evaluated Price	\$7,600

Evaluation of **total award** to Vendor 4:

Area A	\$2,000
Area B	5,400
<u>Evaluation Factor</u>	<u>0</u>
Total Evaluated Price	\$7,400

Improper Pricing Sample

A solicitation was issued for custodial services estimated to cost \$8,500. The area to be serviced are in two sections.



Quotations are allowed for areas A or B (split award), or both areas A & B (total award). An administrative cost of \$500 is included as an evaluation factor for split awards.

Four responses were received:

Vendor	Area A	Area B
1	NO BID	NO BID
2	NO BID	NO BID
3	NO BID	\$5,500
4	\$2,000	\$5,400

While the award in this example may go to Vendor 4, the price cannot be based on adequate price competition for Area A since Vendor 4's quotation is the only price received. **Some other form of price analysis must be used.**

If	Then
only one response is received <i>or</i> only one quote is solicited <i>or</i> the price variance between responses reflect a lack of adequate competition	the file must be documented showing the basis of the basis of the determination of a fair and reasonable price.

**EXAMPLE OF DETERMINING PRICE REASONABLENESS BASED ON
CATALOG OR PRICE LIST**

When relying on published prices, there must be a high degree of confidence that the price list reflects prevailing competitive rates and that the suppliers' awareness of one another's prices was as effective as direct competition in establishing those prices.

Some manufacturers may use a series of catalogs with varying prices for different classes of customers, charging what they think the market will bear. Government buyers need to ask a lot of questions and document the answers.

Proper Pricing Sample

Solicitation issued for 2,000 widgets estimated to cost \$10 each.

Two responses are received, as follows:

Vendor	Bid
KEY CO. INC.	NO BID
ACME CO., INC.	\$9.75

Acme Co., Inc. states the price is published in the firm's current public sales catalog and attaches a copy of the page on which widgets appear at \$9.75 each.

Award is rightly made to Acme Co., Inc., with the price determined to be fair and reasonable on the basis of catalog prices

Improper Pricing Sample

Solicitation issued for 2,000 widgets estimated to cost \$10 each

Two responses are received, as follows:

Vendor	Bid
KEY CO. INC.	NO BID
ACME CO., INC.	\$9.75

Acme Co., Inc., states that it's price of \$9.75 is quoted from the current *Widget Division Pricing Bulletin*, which is not releasable to the public.

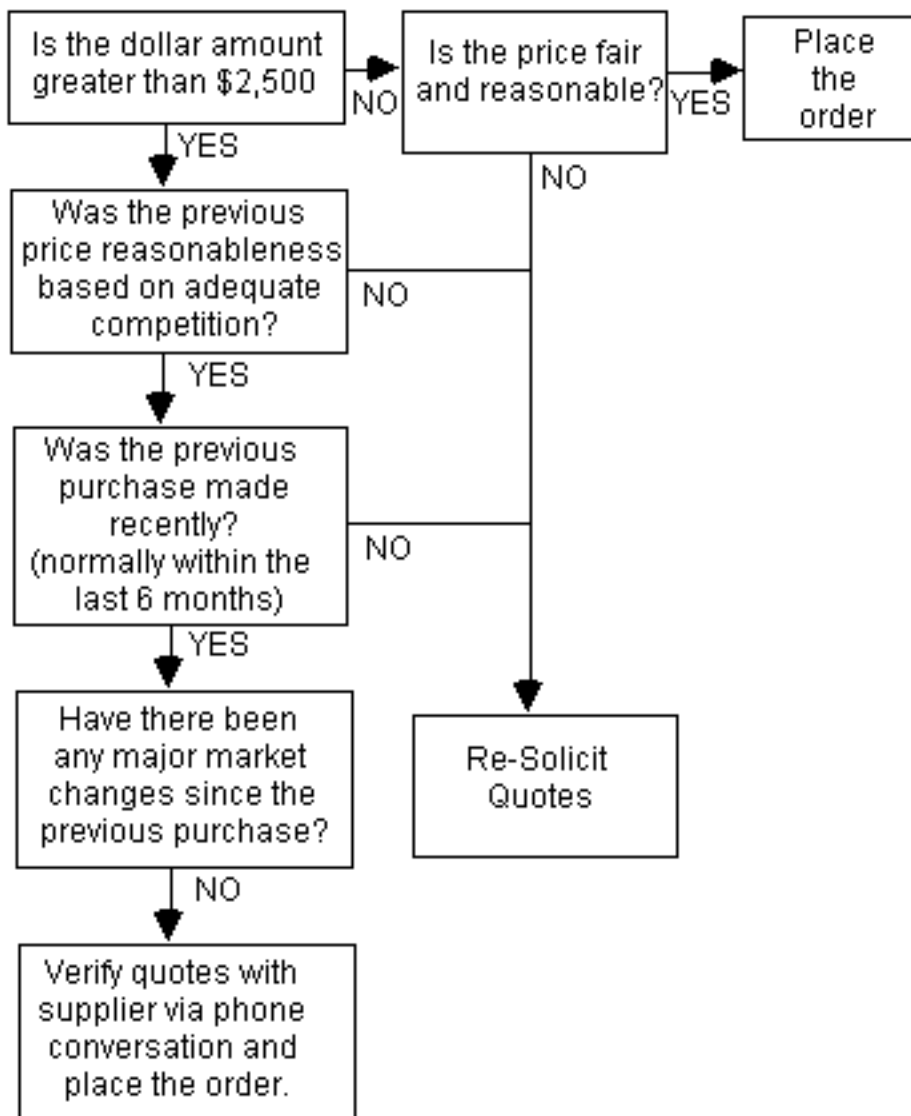
Award should **not** be made, since price cannot be determined to be fair and reasonable. On the basis of information available, the price list in question is probably an internal document that does not accurately reflect the price at which widgets are normally sold to the general public.

EXAMPLE OF DETERMINING PRICE REASONABLENESS USING PREVIOUS SIMILAR BUY

A price previously paid cannot be used to determine price reasonableness unless you know that the prior purchase was fair and reasonable. Such would be the case if the previous purchase order amount was determined by obtaining competitive quotes.

Proper Pricing Sample

Use the following flow chart to determine if previous prices paid is fair and reasonable.



Enclosure (10) to COMDTINST M4200.13F

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EXAMPLE OF DETERMINING PRICE REASONABLENESS USING COMPARISON WITH
GOVT. ESTIMATE.

A quoted price may be compared with a reliable government estimate when price comparisons with other previous purchases are not possible.

However, do not assume that, because the quoted price is the same as or less than the government estimate, that the quoted prices is reasonable.

In some cases, the requester obtains an informal quote from the supplier before giving you the request. A prudent buyer investigates the basis for the estimate.

Proper Pricing Sample

Solicitation issued for one roll (1000 LF) of #2 copper wiring estimated to cost \$.60 per linear foot.

Two responses are received as follows:

Vendor	Bid
Bright Electric, Inc.	\$570
Knight Light Corp.	NO BID

The government estimate may be used for price analysis in this case, along with other methods that might be appropriate.

The purchasing agent contacts the estimator and learns the following:

- The wiring is to be used for an in-house construction job and the electrical engineer provided the figure of \$.60 per linear foot.
- The electrical engineer stated that this figure came from the current issue of *Electrical Estimating Magazine*, a trade journal, and that the same price is currently included in a Corps of Engineering contract for which the local engineering division is providing inspection services.
- The Corps of Engineers contract number and a copy of the trade journal are provided to the purchasing agent.

Award is correctly made to Bright Electrical, Inc., and the price determined to be fair and reasonable through comparison with the validated government estimate.

Improper Pricing Sample

Solicitation issued for one roll (1000 LF) of #2 copper wiring estimated to cost \$.60 per linear foot.

Two responses are received as follows:

Vendor	Bid
Bright Electric, Inc.	\$570
Knight Light Corp.	NO BID

Upon contacting the estimator, the purchasing agent learns the following:

- The electrical engineer has used this figure in a recent in-house construction estimate and, when questioned, was fairly certain this was the price that had been paid in a recent contract, but he could not remember the:
 - contract number;
 - when it was accomplished, or
 - exactly what it was for
- Since the electrical engineer provided the price, the estimator simply passed it on to the procurement office, deferring to the engineer's expertise in electrical wiring.

Award should **not** be made without further analysis, since the estimate (pricing basis) cannot be validated and therefore cannot be used to determine price reasonableness.

EXAMPLE OF DETERMINING PRICE REASONABLENESS PRICES SET BY LAW OR
REGULATION

Use the step action job aid below when using this comparison technique.

Step	Action
1	Obtain a copy of the rate schedule set by the applicable law or regulation.
2	Verify that it applies to a particular situation and that the government is being charged the correct price. <i>Note: for utility contracts, prices must be prescribed by an effective, independent regulatory body.</i>

Proper Pricing Sample

Solicitation for temporary refuse collection at a government warehouse for a period of three months. Estimated tonnage is 12,000 tons at an estimated cost of \$60,000.

One quote is received from P.U. Garbage for a price of \$5.00 per ton. The local utility regulatory commission has set refuse-collection rates based on mileage from city hall for a radius that includes the government warehouse.

The regulated rate for the site is \$5.00 per ton.

Award is made to P.U. Garbage and price determined to be fair and reasonable on the basis of the local utility regulatory commission's rate schedule for refuse collection.

Improper Pricing Sample

Solicitation for temporary refuse collection at a government warehouse for a period of three months. Estimated tonnage is 12,000 tons at an estimated cost of \$60,000.

The local utility regulatory commission has set refuse collection rates for a radius of 30 miles from city hall with the highest rate being \$3.00 per ton at the 30-mile point.

The government warehouse is 50 miles from city hall.

Award should **not** be made without further analysis because refuse collection prices for the area in question (the government warehouse) are not controlled by law or regulation.

REQUEST FOR QUOTATION <i>(THIS IS NOT AN ORDER)</i>		THIS RFQ <input type="checkbox"/> IS <input type="checkbox"/> IS NOT A SMALL BUSINESS SET ASIDE		PAGE 1 OF 6 PAGES
1. REQUEST NO. DTCGG8-98-0328	2. DATE ISSUED 12/1/97	3. REQUISITION/PURCHASE REQUEST NO. 21-98-G88PBDZZA	4. CERT. FOR NAT. DEF. UNDER BDSA REG. 2 AND/OR DMS REG. 1	RATING
5a. ISSUED BY HQ Support Command, 2100 2nd Street, Washington, D.C. 20593			6. DELIVERY BY (Date) See SOW	
5b. FOR INFORMATION CALL (NO COLLECT CALLS)			7. DELIVERY	
NAME Daryl Mims		TELEPHONE NUMBER AREA CODE: 202 NUMBER: 267-1575		<input checked="" type="checkbox"/> FOB DESTINATION <input type="checkbox"/> OTHER (See Schedule)
8. TO:			9. DESTINATION	
a. NAME		b. COMPANY		a. NAME OF CONSIGNEE U.S. Coast Guard
c. STREET ADDRESS			b. STREET ADDRESS 2100 2nd Street, SW	
d. CITY			c. CITY Washington	
e. STATE		f. ZIP CODE	d. STATE DC	e. ZIP CODE 20593-0001
10. PLEASE FURNISH QUOTATIONS TO THE ISSUING OFFICE IN BLOCK 5A ON OR BEFORE CLOSE OF BUSINESS (date) 12/4/97		IMPORTANT: This is a request for information and quotations furnished are not offers. If you are unable to quote, please so indicate on this form and return it to the address in Block 5A. This request does not commit the Government to pay any costs incurred in the preparation of the submission of this quotation or to contract for supplies or services. Supplies are of domestic origin unless otherwise indicated by quoter. Any representations and/or certifications attached to this Request for Quotations must be completed by the quoter.		

11. SCHEDULE (Include applicable Federal, State and local taxes)

ITEM NO. (a)	SUPPLIES/SERVICES (b)	QUANTITY (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)
0001	Basic Simplified Acquisition Procedures Course, CLVN Jan 5-9, 1998	1	Each		
0002	Advanced Simplified Acquisition Procedures Course, CLVN Jan 12-16, 1998	1	Each		

12. DISCOUNT FOR PROMPT PAYMENT:	a. 10 CALENDAR DAYS (%)	b. 20 CALENDAR DAYS (%)	c. 30 CALENDAR DAYS (%)	d. CALENDAR DAYS
				NUMBER PERCENTAGE

NOTE: Additional provisions and representations ☐ are ☐ are not attached.

13. NAME AND ADDRESS OF QUOTER			14. SIGNATURE OF PERSON AUTHORIZED TO SIGN QUOTATION		15. DATE OF QUOTATION
a. NAME OF QUOTER			16. SIGNER		b. TELEPHONE
b. STREET ADDRESS					
c. COUNTY					
d. CITY	e. STATE	f. ZIP CODE	c. TITLE (Type or print)		NUMBER

Previous edition not usable

STANDARD FORM 18 (Rev. 6-95)
Prescribed by GSA - FAR 48 (CPR) 53.215-1(a)

Enclosure (13) to COMDTINST M4200.13F

SAMPLE SOLICITATION USING BEST VALUE EVALUATION TECHNIQUES

STATEMENT OF WORK SIMPLIFIED ACQUISITION PROCEDURES

1. Provide for the purpose of in-house training, a simplified acquisition procedures course to satisfy, at a minimum, the following information:
 - a. Course shall be five full days in length, equivalent to 40 hours of training. Each course will have a maximum of 30 students and may have Government COTR in attendance.
 - b. Contractor shall provide course materials to include course text, training aids, name placards and hi lighters.
 - c. Course shall be held at Training Center Petaluma, California on the following dates:

5-9 January 1998
 - d. The Government will provide classroom facilities.
 - e. Course shall provide participants with current information on simplified acquisition procedures and required sources. Include discussion of available programs which contain items from required sources including MUFFIN, FEDLOG, GSA Advantage!, Haystack and Star/Arms.
 - f. Material shall include the new thresholds and rules that currently apply to purchasing under the revised Parts 12 and 13 of the FAR.
 - g. Include a discussion of Coast Guard thresholds along with an overview of the procurement chain of command and the relationships between commands providing procurement support in the Coast Guard.
 - h. Define COCO and identify the position(s) within the Coast Guard.
 - i. Course shall be suitable for new and experienced purchasing and contracting personnel.
 - j. Subjects shall include an introduction to federal acquisition, standards of conduct, preliminary purchase considerations (i.e., elements of a proper purchase request), required sources of supply, market research and specifications, and commercial item acquisition.
 - k. Include a discussion of each of the simplified acquisition techniques (IMPAC, Blanket Purchase Agreements, Purchase Orders, (including Unpriced Purchase Orders), Standard Form 44, Imprest Funds and Third Party Drafts) and when their use is most appropriate. Include a class exercise which enables students to identify the most efficient method. Describe when the use of a SF-1449 is appropriate vs. the use of an OF-347.
 - l. Include detailed discussion of various pricing techniques described in FAR 13 and describe when their use is appropriate.
 - m. Include a unit on small business set-asides, requirements for inclusion of SIC Codes and Small Business size standards, along with information on how to correctly identify each.

SAMPLE SOLICITATION USING BEST VALUE EVALUATION TECHNIQUES

- n. Practical exercises shall be provided which enable students to:
 - analyze a procurement request for sufficiency for procurement action
 - determine most efficient simplified acquisition method
 - determine established source of supply
- o. Include a discussion on synopsis requirements and provide detail on how to prepare pre and post award synopsis. Provide students with Department of Commerce publication on synopsis preparation. Include discussion of requirements to synopsise sole source actions and when synopsis is NOT required. Include documentation requirements.
- p. Incorporate appropriate Department of Transportation Acquisition Regulations, Coast Guard Acquisition Procedures and Small Purchase Handbook, as well as the Federal Acquisition Regulation.
- q. Include discussion on the Service Contract Act and the Davis-Bacon Act and how they impact Simplified Acquisition, their thresholds and general requirements of each law.
- r. Include discussion on DOT requirements for obtaining training services from the Transportation Acquisition Manual (TAM) to include requirement for COCO to issue Delegations of Procurement Authority (DPAs) to Training Officials.
- s. Include instruction on preparation of the Federal Procurement Data System Summary Contract Action Report (\$25,000 or Less), reporting frequency and reporting location. Include instruction on requirements for reporting individual actions valued at \$25,000 or more.
- t. An open-book exam shall be administered at the end of the course, with numeric scores provided to Commandant (G-CPM). Contractor shall provide and ensure certificates of completion are delivered to students passing the course. Contractor shall provide course evaluation forms to students, collect completed forms, and provide copies of all evaluations to Commandant (G-CPM).
 - a. Cost shall include all materials, textbooks for each student, training aids, travel and per diem for the instructor.
 - b. Contractor shall provide a copy of the course text and discuss course content with Commandant (G-CPM) before finalizing for presentation to a class of Coast Guard students, no later than 4 weeks prior to the first course date.

SAMPLE SOLICITATION USING BEST VALUE EVALUATION TECHNIQUES

STATEMENT OF WORK ADVANCED SIMPLIFIED ACQUISITION PROCEDURES

1. Provide for the purpose of in-house training, an advanced simplified acquisition course to satisfy as a minimum, the following information:
 - a. The course shall be five full days in length, equivalent to 40 hours of training. Each course will have a maximum of 30 students and may have Government COTR in attendance.
 - b. Contractor shall provide course materials to include course text, training aids, name placards and hi lighters.
 - c. Course shall be held at Training Center, Petaluma, California, on the following dates:

12-16 January

1998
 - d. The Government will provide classroom facilities.
 - e. Course shall include discussion of each of the simplified acquisition techniques and when their use is most appropriate. Include Coast Guard requirements and procedures for use of the IMPAC card.
 - f. Strong emphasis shall be given to pricing techniques for simplified acquisitions. Include practical exercises showing the following pricing techniques: competition, comparison of proposed price with prices found reasonable on previous purchases; comparison of proposed price with current price lists, catalog prices, or advertisements; comparison of proposed price with similar items in a related industry; value analysis of the proposed price.
 - g. Simplified acquisitions subject to the Service Contract Act (SCA) requirements between \$2,500 and \$100,000 shall be covered, including, but not limited to the requirement and procedures for acquiring SCA wage determinations and appropriate provisions and clauses to be utilized. Include administration of SCA simplified acquisitions and SCA requirements for posting Notices at worksite(s). Include information on awarding orders before wage determinations are received from DOL and how to incorporate wage determinations after receipt; include allowance for contractor to submit a request for equitable adjustment (REA) as a result of inclusion of wage determinations.
 - h. Simplified acquisitions subject to the Davis-Bacon and related acts (requirements between \$2,000 and \$100,000) shall be covered, including, but not limited to the requirement to use procedures for acquiring and using wage determinations for construction contracts and appropriate provisions and clauses, requirement for written solicitations for construction and how to prepare a written solicitation for construction (utilizing an SF-18). Include administration of construction contracts and Davis-Bacon requirements for posting wage determinations and reporting requirements. Include discussion of requirement for payrolls, how to review payrolls, how to determine payment amounts when progress payments are authorized.
 - i. Simplified acquisitions awarded using best value analysis. Include a practical exercise where best value analysis is used for award.

SAMPLE SOLICITATION USING BEST VALUE EVALUATION TECHNIQUES

- j. Simplified acquisitions with option quantities. Include required clauses and procedures (i.e., modifications exercising options, option notification periods (include sample letter of notification to Contractor), how to set up the pricing schedule (CLINs), and method of evaluation for award purposes.
 - k. Specific topics shall also include the Contract Work Hours and Safety Standards Act, Walsh-Healy Public Contracts Act, Fair Labor Standards Act, Applicability of the various labor-related Acts, differentiation between personal and non-personal services. Contract administration problems related to service and construction contracts.
 - l. Course shall incorporate appropriate Department of Transportation Acquisition Regulations, Coast Guard Acquisition Procedures and Small Purchase Handbook, as well as, the Federal Acquisition Regulation.
 - m. Applicability of the Competition in Contracting Act to simplified acquisitions shall be discussed.
 - n. Course shall include a mock negotiation session involving a construction and/or service contract.
 - o. Provide detailed instruction on requirements for posting requirements and awards in the Commerce Business Daily, format for preparation, requirements for posting, exceptions to posting and documentation requirements when synopses are waived.
 - p. Provide instruction on DOT procedures for acquiring training services from the Transportation Acquisition Manual. Include requirements for COCO issued Delegations of Procurement Authority.
 - q. Provide instruction on reporting procurement actions either in the Summary Contract Action Report (SF-281) or the Individual Transaction Report (Contract Information System).
- 2. An open-book exam shall be administered at the end of the course, with numeric scores (70% = passing) provided to COMDT (G-CPM). Contractor shall provide and ensure certificates of completion are delivered to students passing the course. Contractor shall provide course evaluation forms to students, collect completed forms, and provide copies of all evaluations to COMDT (G-CPM)
 - 3. Cost shall include all materials, textbooks for each student, hi-liters, training aids, travel and per diem for the instructor.
 - 4. Contractor shall provide a copy of the course text and discuss course content with COMDT (G-CPM) before finalizing for presentation to a class of Coast Guard students, no later than 4 weeks prior to the first course date.

SAMPLE SOLICITATION USING BEST VALUE EVALUATION TECHNIQUES

AWARD CRITERIA

Award of this requirement shall be made to the offeror whose proposal offers the greatest value to the Government. Technical factors, including past performance, are significantly more important than price.

TECHNICAL EVALUATION FACTORS

The following factors shall be evaluated and are listed in descending order of importance. The evaluation shall consider the offerors' response to each of these evaluation factors as well as the contracting officer's knowledge of and previous experience with the services being purchased.

1. PAST PERFORMANCE -Provide contract numbers and government points of contact for similar efforts performed within the last two years.
2. QUALIFICATIONS OF INSTRUCTORS-Resumes of instructors shall be provided.
3. SAMPLE CURRICULA-Provide a typical curriculum for both an advanced and basic simplified acquisition training course.
4. SAMPLE TEXT-Provide a sample text, covering use of credit cards, which reflects Coast Guard or other agency specific requirements.

PRICE

While price is not the primary evaluation factor in this requirement, it is important and will be considered when determining contract award.

SAMPLE D & F FOR USE OF OPTIONS

UNITED STATES COAST GUARD
DETERMINATIONS AND FINDING
OPTIONS, JUSTIFICATION FOR USE

Pursuant to FAR 17.205(b), I hereby make the following findings and determination:

Findings

1. U.S. Coast Guard Base Anywhere has a need for grounds maintenance service. This service has been successfully contracted for the past ten years. Based upon prior funding authorization, it is anticipated that funds for grounds maintenance will be available in the future. Purchase Request 21-98-358SEN034 requests a base period plus two one-year options for these services.
2. A notification period of 60 days of the Government's intent to exercise each option will be provided to the contractor. This period of time is considered reasonable to allow the contractor to plan for the work.
3. Option prices will be evaluated prior to award and a determination of price reasonableness will be made at that time. There are no other limitations on option prices.

Determination

Based upon the findings provided herein, I hereby determine within the meaning of FAR 17.205(b), that the inclusion of options in the acquisition of grounds maintenance is necessary and appropriate.

SK2 Roy A. Collins
Contracting Officer

Date

Enclosure (14) to COMDTINST M4200.13F

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SAMPLE D & F TO EXERCISE AN OPTION

DETERMINATIONS AND FINDING
AUTHORITY TO EXERCISE AN OPTION
DTCGG8-97-P-SEN034

In accordance with FAR 17.207(c) & (f), I hereby make the following findings and determination:

Findings

1. The Facilities Engineering Division of U.S. Coast Guard Base Anywhere has submitted purchase request 21-99-359SEN022 for grounds maintenance for the Base. The exercise of the option is in accordance with the option provisions of purchase order DTCGG8-97-P-SEN034.
2. The purchase request for the exercise of the option was submitted subject to the availability of FY99 funds. The purchase order contains FAR 52.232-18, Availability of Funds. Funding will be provided upon Congressional appropriation.
3. The exercise of the option will fulfill the necessity for grounds maintenance for Coast Guard Base Anywhere for FY99.
4. The exercise of the option is the most advantageous method of fulfilling the need for grounds maintenance at Coast Guard Base Anywhere, price and other factors considered. An informal analysis of market conditions reveals that pricing for these services has remained relatively stable, with minor adjustments for inflation.
5. The initial requirement was synopsized in the Commerce Business Daily and included all option periods.
6. The exercise of the option is in accordance with FAR Part 6, in that pricing for option periods was evaluated prior to award and found to be fair and reasonable.

Determination

Based upon the findings made above, I determine within the meaning of FAR 17.207, that it is in the best interest of the Government to exercise Option 1 for purchase order DTCGG8-97-P-SEN034.

SK2 Roy A. Collins
Contracting Officer

Date

Enclosure (15) to COMDTINST M4200.13F

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REQUEST FOR QUOTATION (THIS IS NOT AN ORDER)		THIS RFQ <input type="checkbox"/> IS <input type="checkbox"/> IS NOT A SMALL BUSINESS SET ASIDE		PAGE 1 OF 1 PAGES
1. REQUEST NO. DTCG-98-Q-0459	2. DATE ISSUED 6/1/97	3. REQUISITION/PURCHASE REQUEST NO. 21-98-358SEN034	4. CERT. FOR NAT. DEF. UNDER BDSA REG. 2 AND/OR DMS REG. 1	RATING
5a. ISSUED BY HQ Support Command, 2100 2nd Street, Washington, D.C. 20593			6. DELIVERY BY (Date) See SOW	
5b. FOR INFORMATION CALL (NO COLLECT CALLS)			7. DELIVERY	
NAME Daryl Mims, Rm B41		TELEPHONE NUMBER AREA CODE 202 NUMBER 267-1575		<input checked="" type="checkbox"/> FOB DESTINATION <input type="checkbox"/> OTHER (See Schedule)
8. TO:			9. DESTINATION	
a. NAME		b. COMPANY		a. NAME OF CONSIGNEE U.S. Coast Guard
c. STREET ADDRESS			b. STREET ADDRESS 2100 2nd Street, SW	
d. CITY			c. CITY Washington	
e. STATE		f. ZIP CODE		d. STATE DC
6/15/97		10. PLEASE FURNISH QUOTATIONS TO THE ISSUING OFFICE IN BLOCK 5A ON OR BEFORE CLOSE OF BUSINESS (date)		e. ZIP CODE 20593-0001
IMPORTANT: This is a request for information and quotations furnished are not offers. If you are unable to quote, please so indicate on this form and return it to the address in Block 5A. This request does not commit the Government to pay any costs incurred in the preparation of the submission of this quotation or to contract for supplies or services. Supplies are of domestic origin unless otherwise indicated by quoter. Any representations and/or certifications attached to this Request for Quotations must be completed by the quoter.				

11. SCHEDULE (Include applicable Federal, State and local taxes)

ITEM NO. (a)	SUPPLIES/SERVICES (b)	QUANTITY (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)
0001	Base Period Grounds Maintenance at USCG Base Anywhere, for the period October 1, 1997, through September 30, 1998, in accordance with attached SOW.	12	MO		
0002	Option 1 Grounds Maintenance at USCG Base Anywhere, for the period October 1, 1998, through September 30, 1999, in accordance with attached SOW.	12	MO		
0003	Option 2 Grounds Maintenance at USCG Base Anywhere, for the period October 1, 1999, through September 30, 2000, in accordance with attached SOW.	12	MO		

12. DISCOUNT FOR PROMPT PAYMENT:	a. 10 CALENDAR DAYS (%)	b. 20 CALENDAR DAYS (%)	c. 30 CALENDAR DAYS (%)	d. CALENDAR DAYS	
				NUMBER	PERCENTAGE

NOTE: Additional provisions and representations ☐ are ☐ are not attached.

13. NAME AND ADDRESS OF QUOTER			14. SIGNATURE OF PERSON AUTHORIZED TO SIGN QUOTATION		15. DATE OF QUOTATION	
a. NAME OF QUOTER			16. SIGNER		b. TELEPHONE AREA CODE	
b. STREET ADDRESS						
c. COUNTY						
d. CITY	e. STATE	f. ZIP CODE	c. TITLE (Type or print)		NUMBER	

Previous edition not usable

STANDARD FORM 18 (Rev. 6-95)
Prescribed by GSA - FAR 48 (CPR) 53.215-1(a)

LIST OF CLAUSES TO BE USED FOR OPTION

Purchase Order Option Provisions and Clauses

FAR 52.217-3, Evaluation Exclusive of Options

Include in RFQ when RFQ includes an option clause, but does not include either FAR 52.217-4 or 52.217-5. This provision informs offerors that only the price for the basic requirement or period will be included in the evaluation for award purposes. This will rarely be used for simplified acquisitions. No fill-ins required.

FAR 52.217-4, E

Evaluation of Options Exercised at Time of Contract Award

Include in RFQ when RFQ includes an option clause, and the contracting officer has determined that there is a reasonable likelihood that the option will be exercised, and the option may be exercised at the time of award. This will rarely be used under simplified acquisition procedures, since we generally won't be exercising the option at the time of award. No fill-ins required.

FAR 52.217-5, Evaluation of Options

Include in RFQ when the RFQ contains an option clause, an option is not to be exercised at time of award, and the contracting officer has determined that there is a reasonable likelihood that the option will be exercised. This will be a normal situation. That is, it is our desire to evaluate the option periods as part of the initial award, but we are not going to exercise the option until later. No fill-ins required.

FAR 52.217-6, Option for Increased Quantity

Include in RFQ and order if the order is not for services and you want the option to order increased quantities. The increase can be expressed in terms of percentages or an additional quantity of a specific line item. This clause would be used where we want to include an option for ordering an additional quantity of an already specified item on the order and the increased quantity does not have a separate price. Contracting Officer fill-in required.

FAR 52.217-7, Option for Increased Quantity - Separately Priced Line Item

Include in RFQ and order if the order is not for services and you want separately priced line items as options. This is similar to 52.217-6, except that it allows for the option quantity to have a separate price from the original quantity. Recommend that this quantity be expressed as a firm amount and not a percentage. Recommend that when you have a requirement for an increased option quantity, include both 52.217-6 and 52.217-7 in the RFQ since you probably won't know if the option quantity will be separately priced by the winning

vendor. The order will then specify one of the clauses. Contracting Officer fill-in required.

FAR 52.217-8, Option to Extend Services

Include in RFQ and order for services if we determine that we will need coverage for any potential lapse between this order and a subsequent order for the same services. No fill-ins required.

FAR 52.217-9, Option to Extend the Term of the Contract

Include in RFQ and order when the order is for services and a potential requirement exists to extend the order beyond its base period. This clause will allow us to extend the order after its initial term (generally one year). The clause requires preliminary written notice to the contractor at least 60 days prior to order expiration. Contracting Officer fill-ins required.

FAR 52.232-18, Availability of Funds

Include in RFQ and order for operation and maintenance and continuing services (e.g., rentals, supply items not financed by stock funds) necessary for normal operations and for which Congress has previously and consistently appropriated funds. This clause allows options to be exercised before funding is appropriated.



Staff Symbol:
Phone:
FAX:

4200

20 July 1997

The Only Company
1357 Cherry Hill Lane
Anywhere, CA 99901
Attn: Mr. Steve Smith

Dear Mr. Smith:

This letter serves as the Coast Guard's preliminary notice of intent to exercise the option to continue performance of contract DTCG23-97-P-FRN029 for the period October 1, 1997 through September 30, 1998. This preliminary notice is in accordance with FAR 52.217-9, Option to Extend the Term of the Contract.

This notice does not commit the Government to an extension. Exercise of the option is subject to the availability of Fiscal Year 1998 funds.

If you have any questions regarding this matter, please contact Ms. Linda Gray, Contract Specialist, at (202) 267-1111.

I.Q. Supply

Contracting Officer

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE		PAGE 1 OF 1	
2. AMENDMENT/MODIFICATION NO. 0003		3. EFFECTIVE DATE Block 16		4. REQUISITION/PURCHASE REQ. NO. 2398238FRN0001		5. PROJECT NO. (If applicable)	
6. ISSUED BY Commander (fcp-3) USCG MLCPAC Bldg 54A Alameda, CA 94501-5100		CODE		7. ADMINISTERED BY (If other than Item 6) See Block 6		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) The Only Company 1357 Cherry Hill Lane Anywhere, CA 99902				()		9A. AMENDMENT OF SOLICITATION NO.	
						9B. DATED (SEE ITEM 11)	
				X		10A. MODIFICATION OF CONTRACT/ORDER NO. DTCG23-97-FRN029	
						10B. DATED (SEE ITEM 13) 9/30/96	
CODE		FACILITY CODE					

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
SUBJECT TO THE AVAILABILITY OF FUNDS.

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

()	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) Unilateral modification pursuant to FAR 52.232-18 and 52.217-9

E. IMPORTANT: Contractor ☒ is not, ☐ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
This modification is issued to exercise Option Year Two for the period October 1, 1997, through September 30, 1998, subject to the availability of funds.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or Print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) I.Q. Supply, CW03, USCG	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)	16C. DATE SIGNED

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE		PAGE 1 OF 1 PAGES			
2. AMENDMENT/MODIFICATION NO. 0004		3. EFFECTIVE DATE Block 16		4. REQUISITION/PURCHASE REQ. NO. 2398238FRN0001		5. PROJECT NO. (If applicable)		
6. ISSUED BY Commander (fcp-3) USCG MLCPAC Bldg 54A, Alameda, CA 94501-5100		CODE		7. ADMINISTERED BY (If other than Item 6) See block 6		CODE		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) The Only Company 1357 Cherry Hill Lane Anywhere, CA 99902				()			9A. AMENDMENT OF SOLICITATION NO.	
							9B. DATED (SEE ITEM 11)	
				X			10A. MODIFICATION OF CONTRACT/ORDER NO. DTCG23-97-P-FRN029	
							10B. DATED (SEE ITEM 13) 9/30/96	
CODE		FACILITY CODE						

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

T.501.152.30.NJ.40305.2696 Increase: \$20,265 From: \$19,934 To: \$40,199

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

()	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) Unilateral modification pursuant to FAR 52.232-18 and 52.217-9

E. IMPORTANT: Contractor ☒ is not, ☐ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Funding is available and is provided as referenced in Block 12.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or Print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) I.Q. Supply, CW03, USCG	
15B. CONTRACTOR/OFFEROR _____ (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)	16C. DATE SIGNED

SAMPLE DETERMINATION & FINDING (D&F) FOR ISSUING A MIPR

DETERMINATION AND FINDINGS

Upon the basis of the following findings and determination which I hereby make as Chief, Procurement Branch, MLC PAC, the supplies or non-personal services described below may be acquired from another Government agency pursuant to the Economy Act (31 U.S.C. 1535).

FINDINGS

1. MLC PAC (fcp) proposes to issue a MIPR

to: _____

for: _____

estimated cost: \$ _____

1. These supplies or services are required by the Coast Guard because _____.
2. The goods or services cannot be provided as conveniently or more economically by contracting directly with a commercial enterprise because _____.
3. The proposed MIPR does not conflict with any other agency's authority or responsibility, and legal authority for this acquisition otherwise exists. The proposed acquisition does _____ does not _____ involve the use of a commercial or industrial activity operated by the servicing agency.

4. This paragraph applies if the above sentence is "does":

The results of the cost comparison under FAR 7.300 were

or a cost comparison under OMB Circular No. A-76 was not conducted because

Complete the following for all actions when the servicing agency will provide the required supplies or services through a contract action:

5. At least one of the following circumstances must apply (check the appropriate block):

_____ The acquisition will appropriately be made under an existing contract of the servicing agency, entered into before placement of the order, to meet the requirements of the servicing agency for the same or similar supplies or services;

_____ The servicing agency has capabilities or expertise to enter into a contract for such supplies or services which is not available within the requesting agency; or

_____ The servicing agency is specifically authorized by law or regulation to purchase such supplies or services on behalf of other agencies.

6. If the servicing activity is providing the above described supplies or services by contract check one of the blocks below:

_____a. The servicing agency has advised that any fee they are charging the Coast Guard is not in excess of their actual cost to enter into and administer the contractual document under which this order will be filled.

_____b. The servicing agency representative has advised that the any fee they are charging the Coast Guard is not in excess of their estimated cost (since their actual costs are not known) to enter into and administer the contractual document under which this order will be filled.

DETERMINATION

7. Upon the basis of the above findings, I hereby determine that issuing a MIPR is in the best interest of the Government, all factors considered.

Date:

Patricia A. Walker
Chief, Procurement Branch
MLCPAC

MUST BE SIGNED BY A COCO LEVEL I OR II

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE		PAGE 1 OF 1	
2. AMENDMENT/MODIFICATION NO. 0001		3. EFFECTIVE DATE 10/1/97		4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (If applicable)	
6. ISSUED BY Commandant (G-ACS), USCG 11811 Fairlawn Lane Anywhere, CA 99902		CODE		7. ADMINISTERED BY (If other than Item 6) See Block 6		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) B&Z Grounds Maintenance Company 11811 Fairlawn Lane Anywhere, CA 99902				()		9A. AMENDMENT OF SOLICITATION NO.	
						9B. DATED (SEE ITEM 11)	
				X		10A. MODIFICATION OF CONTRACT/ORDER NO. DTCG23-98-P-HRS023	
						10B. DATED (SEE ITEM 13) 10/1/97	
CODE		FACILITY CODE					

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

()	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) Bilateral modification pursuant to FAR 52.222-41

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
 This modification is issued to incorporate Wage Determination 97-356. As a result of this wage determination, the Contractor is allowed to submit, within 30 days, a request for equitable adjustment to the contract price to reflect any changes in performance cost.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or Print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) I.Q. Supply, CW03, USCG	
15B. CONTRACTOR/OFFEROR _____ (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)	16C. DATE SIGNED

COAST GUARD PROCUREMENT PREFERENCE PROGRAM FOR
RECOVERED MATERIALS

1. The Statement of Work/Specification covering Procurement Request
No. _____ is subject to DOT's Procurement Preference Program for
Recovered Materials as set forth in TAM Chapter 1223.

_____ Yes

_____ No (If no, stop here)

If yes, the items are: _____

2. The specifications for the item(s) complies with the applicable Environmental Protection
Agency (EPA) procurement guidelines as implemented by TAM Chapter 1223.

_____ Yes

_____ No

3. If answering "no" to the previous question, the requisitioner must check the appropriate
reason below and provide an explanation as to why item containing recovered materials
and meeting EPA procurement guideline recommendations (minimum content standards)
as implemented by TAM Chapter 1223 were not used:

_____ obtaining designated items will result in
unusual and unreasonable delay,

or

_____ obtaining designated items will fail to meet the
performance standards set forth in the applicable specification or will fail to meet
the reasonable performance standards of DOT,

or

_____ the designated items are only available at an
unreasonable price.

Explanation _____

Requisitioner's signature

Date

Enclosure (23) to COMDTINST M4200.13F

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COAST GUARD REQUEST FOR WAIVER

Instructions: This form is needed only if the item(s) being procured are subject to the Department of Transportation's (DOT's) Affirmative Procurement Program (APP) for Recovered Materials.

1. As specified in the Coast Guard Simplified Acquisition Procedures Handbook, Chapter 9, this form is to be completed by the procurement originator (program official) and contracting officer, as appropriate, when items subject to DOT's APP for recovered materials (TAM 1223, Appendix A) are not procured above the micro-purchase threshold.

2. The procurement originator and the contracting officer checks the appropriate justification(s), provides a written explanation, and signs and dates the form.

3. The completed original form is maintained in the official procurement file.

PROCUREMENT REQUEST NUMBER: _____

PART 1. To be completed by the Contracting Officer

Products containing recovered materials and meeting DOT'S preference standards for the following designated items

were not obtained because:

☐ **Use of minimum content standards would result in inadequate competition.**

☐ **Products containing recovered materials would require paying a price premium.**

☐ **Other: (Written justification for not procuring designated items containing recovered material.)**

☐ **Remanufactured or recycled toner cartridges for use in laser printers, photocopiers, facsimile machines, or micrographic printers were not obtained because** _____

Contracting Officer's Signature

Name of Procurement Office

Date

PART 2. To be completed by the Procurement Originator

Products containing recovered materials and meeting DOT's preference standards for the following designated items:

were not obtained because:

☐ **Items do not meet all reasonable performance specifications.**

☐ **Items are not available within a reasonable period of time.**

☐ **Other: (Written justification for not procuring designated items containing recovered material.)**

Procurement Originator's Signature

Date

Date Due Annually at COMDT (G-CPM): 15 NOV
Date Prepared: _____

RESOURCE CONSERVATION AND RECOVERY ACT (RCRA)
U.S. Coast Guard Command Summary Report
For Previous Fiscal Year (FY)
(Refer to Simplified Acquisition Procedures Handbook, Chapter 9)

Coast Guard Command: _____

Point of Contact: _____

Telephone & Fax Numbers: _____

E-Mail Address: _____

Each command will provide a summary report on purchases made from sources OTHER THAN a Federal Supply Center. Purchases made from a Federal Supply Center will be reported for you by the command operating the center. Note: You must report any applicable purchases under GSA schedule contracts.

I. EPA GUIDELINE ITEMS.

A. Cement and Concrete Products containing fly ash and cement and concrete products containing granulated blast furnace slag (slag).

1. Total amount of **cement** purchased and/or used by your command in PREVIOUS FY

Without fly ash or slag \$_____ or total number of procurements _____

With fly ash or slag \$_____ or total number of procurements _____

2. Total amount of **concrete** purchased or used by your command in PREVIOUS FY

Without fly ash or slag \$_____ or total number of procurements _____

With fly ash or slag \$_____ or total number of procurements _____

3. Were there technical impediments to increasing the amount of concrete and cement containing fly ash and granulated blast

furnace slag purchased by your command in PREVIOUS FY? ____ (If yes, please attach an explanation of the technical impediment.)

B. Paper and Paper Products. GSA and GPO will provide data for commands' purchases of paper products made through their retail and wholesale stock program. However, please provide amounts for command purchases from any other sources. Also, please report items ordered under GSA schedule contracts.

1. Total dollar amount of **paper and paper products** purchased by your command from sources other than GSA and GPO in PREVIOUS FY \$ _____ and total number of procurements _____

2. Total dollar amount of **paper and paper products containing recycled material** purchased by your command from sources other than GSA and GPO in PREVIOUS FY \$ _____ and total number of procurements _____

C. Motor Vehicle Lubricating Oils. DLA will provide data for commands' purchases of oil through their program. However, please provide amounts for command purchases from other sources.

1. Total amount of **motor vehicle lubricating oil** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____ (If your vehicle maintenance is accomplished through service contracts that include a standard price for vehicle servicing, report the total number of servicing(s) rather than the dollar value _____)

2. Total dollar amount of **motor vehicle lubricating oils containing re-refined oil** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____ (If your vehicle maintenance is accomplished through service contracts that include a standard price for vehicle servicing, report the total number of services where the vehicle was serviced with re-refined oil rather than the dollar value _____)

3. Were there any technical impediments to increasing the amount of motor vehicle lubricating oils containing re-refined oil purchased by your command in PREVIOUS FY? ____ (If yes, please attach an explanation of the technical impediment.)

D. Retread Tires. Refer to the Federal Supply Schedule for Pneumatic Tires, FSC Group 26, Part II, Section A for items covered by this guideline. TACOM will provide data for commands' purchases of retreads for tactical vehicles.

1. Total dollar amount of **tires** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____
2. Total number of **tires** purchased by your command in PREVIOUS FY _____
3. Total dollar amount of **retread tires** purchased by your command in PREVIOUS FY \$ _____
4. Total number of **retread tires** purchased by your command in PREVIOUS FY _____ and total number of procurements _____
5. Were there any technical impediments to increasing the amount of retread tires purchased by your command in PREVIOUS FY? _____ (If yes, please attach an explanation of the technical impediment.)

E. Building Insulation Products.

1. Total dollar amount of **building insulation products** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____
2. Total dollar value of **building insulation products containing recycled materials** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____
3. Were there any technical impediments to increasing the amount of building insulation products containing recycled materials purchased by your command in PREVIOUS FY? _____ (If yes, please attach an explanation of the technical impediment.)

F. Engine Coolants.

1. For commands that maintain fleet maintenance facilities, how many fleet maintenance facilities do you operate? _____
2. How many vehicles are maintained? _____
3. How many of your fleet maintenance facilities own and operate anti-freeze recycling equipment? _____

G. Structural Fiberboard and Laminated Paperboard.

1. Total dollar amount of **structural fiberboard and laminated paperboard** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____

2. Total dollar amount of **structural fiberboard and laminated paperboard containing recycled materials** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____

3. Were there technical impediments to increasing the amount of recycled materials for structural fiberboard and laminated paperboard purchased by your command in PREVIOUS FY? _____ (If yes, please attach an explanation of the technical impediments.)

H. Carpet (low and medium wear polyester fiber only).

1. Total dollar amount of **carpet** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____

2. Total dollar amount of **carpet containing recycled material** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____

3. Provide any additional information to demonstrate your command's compliance/commitment to purchasing carpet (low and medium wear polyester fiber) in PREVIOUS FY. This information could include policies issued, pilot projects, etc.

I. Floor Tiles (rubber or plastic only).

Provide any pertinent information to demonstrate your command's compliance/commitment to purchasing floor tiles (rubber or plastic only) in PREVIOUS FY. This information could include dollars spent, number of contracts, policies issued, pilot projects, etc.

J. Traffic Cones and Traffic Barricades (rubber or plastic only).

GSA will provide data for commands' purchases of traffic cones and traffic barricades and those with recycled materials. However, please provide amounts for commands' purchases from any other sources.

1. Total dollar amount of **traffic cones and traffic barricades** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

2. Total dollar amount of **traffic cones and traffic barricades with recycled content** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

K. Office Recycling and Waste Containers (plastic, paper or steel).

Provide any pertinent information to demonstrate your command's compliance/commitment to purchasing office recycling and waste containers (plastic, paper or steel) in PREVIOUS FY. This information could include dollars spent, number of contracts, policies issued, pilot projects, etc.

L. Plastic Desktop Accessories.

GSA will provide data for commands' purchases of desktop accessories and plastic desktop accessories. However, please provide amounts for command purchases from any other source.

1. Total dollar amount of **desktop accessories** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

2. Total dollar amount of **recycled content plastic desktop accessories** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

M. Toner Cartridges.

GSA and DLA will provide data for commands' purchases of toner cartridges and recycled toner cartridges. However, please provide amounts for command purchases from other sources.

1. Total dollar amount of **toner cartridges** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

2. Total dollar amount of **recycled toner cartridges** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

N. Binders (chipboard and plastic covered, not cloth).

GSA will provide data for commands' purchases of binders and chipboard and plastic covered binders. However, please provide amounts for command purchases from any other source.

1. Total dollar amount of **binders** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

2. Total dollar amount of **recycled content chipboard and plastic covered binders** in PREVIOUS FY \$ _____ and total number of procurements _____

O. Plastic Trash Bags.

Provide any pertinent information to demonstrate your command's compliance/commitment to purchasing plastic trash bags in PREVIOUS FY. This information could include dollars spent, number of contracts, policies issued, pilot projects, etc.

II. SPECIFICATIONS. RCRA, Section 6002 (d) requires that Federal activities that have responsibility for preparing specifications: review them to eliminate unnecessary requirements for the use of virgin materials and prohibitions against using recovered materials; and add preferences for recovered materials.

A. Does your command have responsibility or control over a particular Federal supply class or group of specifications or standards? **Yes** _____ **No** _____

B. How many product specifications, standards, Commercial Item Descriptions (CIDs), product descriptions or similar documents does your command control? **Number** _____

C. How many such documents have been reviewed in PREVIOUS FY? **Number** _____

D. How many documents were modified in PREVIOUS FY to remove the requirements for the use of virgin materials? **Number** _____

E. How many documents were modified in PREVIOUS FY to remove references of language prohibiting the use of recovered materials? **Number** _____

F. How many documents were modified in PREVIOUS FY to add preferences for recovered materials? **Number** _____

G. Does your command have a policy to remove the requirements for virgin materials and add preferences for recovered materials to these service contracts? (i.e. including the use of re-refined oil in your vehicle service contracts).

Yes _____ No _____

H. If your command does have a policy like the above, please provide a copy to us.

I. If your command does not have a policy, please provide an explanation.

III. SOLID WASTE PREVENTION

Please report solid waste prevention efforts for facilities for which your command is responsible.

A. Did you institute new solid waste prevention practices in PREVIOUS FY? Yes _____ No _____

B. If the response is Yes, please provide an explanation of those practices.

C. If the response is No, please provide an explanation of why not.

IV. RECYCLING.

A. What percentage of the offices/sites operated by your command have an active office products recycling program?
_____ Percent

B. What percentage of residential housing operated by your command have an active household products recycling program?
_____ Percent

C. What percentage of demolition projects managed by and/or contracted by your command includes the recovery of construction materials? _____ Percent

D. What percentage of your total solid waste was diverted to recycling? _____ Percent

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STATEMENT OF ESSENTIAL NEED

I certify that this hazardous materials procurement is essential to the mission of this unit, and that minimum quantities are being ordered; in addition,

_____The MSDS for this product is currently on file, and listed in the Hazardous Materials Inventory (MSDS Ref. #_____), and personnel are properly trained in its use. There is currently _____in inventory.

OR

_____This is a new product not currently on file in the Hazardous Materials Inventory; the MSDS for the product is attached. Personnel will be trained in proper use.

_____/_____

Authorized Requisitioner

Date

_____Approved

_____Disapproved

_____/_____

Pollution Prevention Coordinator

Date

Enclosure (26) to COMDTINST M4200.13F

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Memorandum

Subject: REQUEST FOR DELEGATION OF PROCUREMENT
AUTHORITY (TRAINING SERVICES)

Date: 4200

From: Chief, Administration Department

Reply to
Attn. of: Jones
523-6780

To: Chief of the Contracting Office

Ref: (a) COMDTINST 4200.13

1. A Delegation of Procurement Authority (DPA) is requested for the individual identified below who shall be designated as a DPA recipient for the purposes of acquiring training services in accordance with the procedures prescribed in Transportation Acquisition Manual (TAM) Chapter 1213 and the Departmental Personnel Manual System Chapter _____. It is understood that the DPA will terminate upon the employee's separation from USCG or reassignment to another office within the Coast Guard.

2. This individual has received a minimum of 32 hours of simplified acquisition training or required purchase/credit card training from the organization or institution identified below, and a copy of the individual's course completion certification or equivalent documentation of successful course completion is enclosed.

Name of designee: _____

Operating Administration: _____

Business Address: _____

Telephone No.: _____

Training date(s): _____

Training institution: _____

Enclosure (27) to COMDTINST M4200.13F

A copy of Federal Acquisition Regulation Part(s) _____, (not provided with the designated DPA recipient's simplified acquisition procedures training), Transportation Acquisition Regulation Part(s) _____, and TAM Chapter(s) _____ are requested for the use of the DPA recipient.

3. If there are any questions concerning this request, please contact _____(name),
_____(telephone).

Encl: (1) Training Certificate

USE OF THE UNIFORM PROCUREMENT INSTRUMENT IDENTIFICATION NUMBERING
SYSTEM (PIN)

Introduction

This enclosure prescribes procedures for assigning PIIN numbers and supplementary PIINs to identify Coast Guard acquisition document types.

In some instances, there are unique procedures for those contracting activities subject to Departmental Accounting Finance Information System (DAFIS) accounting procedures and to invoice payment by the Coast Guard Finance Center.

PIIN number breakdown

The PIIN shall consist of primarily 14 or 15 numeric or alphanumeric characters as follows:

Positions 1 through 6:

The first six positions shall identify the procuring office. The first four positions shall always be **DTCG** for the Department of Transportation, U.S. Coast Guard.

Positions five and six shall be numeric or alphanumeric characters which identify the procurement office preparing the procurement instrument. A listing of applicable procurement office numbers, names, and addresses is contained in Attachment D of TAM Chapter 1204.

Example:

DTCG23-98-P-HPE123

Positions 7 and 8:

The seventh and eighth positions shall be the last two digits of the fiscal year in which the PIIN is assigned.

Example:

DTCG23-98-P-HPE123

Position 9

The ninth position shall be a capital letter assigned to indicate the type of instrument code (IC), as follows:

A - Agreement: Includes Basic Agreements, Basic Ordering Agreements, and Blanket Purchase Agreements. For those contracting activities subject to DAFIS accounting procedures and to invoice payment by the Coast Guard Finance Center, see exclusions below for Subsistence for Dining Facilities (Supply Fund 82) Blanket Purchase Agreements (BPA).

F - Delivery Orders: Includes orders placed against:

A contract administered by another government agency or department, i.e. General Services Administration (GSA), the Department of Veteran Affairs, and the Office of Personnel Management

Contracts administered by agencies other than DOT including the National Industries for the Blind, National Industries for the Severely Handicapped, and the Federal Prison Industries (UNICOR). For those contracting activities subject to DAFIS accounting and to invoice payment by the Coast Guard Finance Center, see below for orders with the Superintendent of Printing, Government Printing Office and Federal Prison Industries, Inc. (UNICOR).

P - Purchase Orders:

Use the job aid below for units that are **not** subject to invoice payment by the Coast Guard Finance Center.

When	Assign IC
preparing a purchase order prescribed under FAR part 13	P
numbering capacity of "P" becomes exhausted during a fiscal year	V then W

Use the job aid below for units that **are** subject to invoice payment by the Coast Guard Finance Center.

When	Assign IC
construction or service purchase orders using Simplified Acquisition Procedures which require contracting officer approval for progress payments.	N
purchase order for transportation services using Simplified Acquisition procedures	T
purchase orders and blanket purchase agreements for subsistence for dining facilities (AFC 82)	V
purchase orders for UNICOR	W
purchase orders for Superintendent of Documents, Government Printing Office (GPO)	Y

Example:

DTCG23-98-P-HPE123

Positions 10 through 14:

For those contracting activities **not** subject to invoice payment by the Coast Guard, the tenth through fourteenth positions shall be numeric and serialized. A separate set of serial numbers may be used for any type of instrument. Each series of PIINs for the same type of instrument in a contracting activity shall begin with the number 00001 at the start of each fiscal year.

A contracting activity, however, may choose to use the first digit of the serial number to indicate a branch or division processing the instrument. The next four digits must then be serially numbered.

For those contracting activities that **are** subject to DAFIS accounting procedures and to invoice payment by the Coast Guard Finance Center, the tenth through fifteenth positions shall incorporate part of the DAFIS procurement request number to identify all instruments. The alphanumeric characters beginning with the region or district and ending with the serial number shall constitute the tenth through fifteenth positions. An example of a DAFIS procurement request number is:

23	98	23	8	H	PE	123	000
DOC TYPE	FY OF FUNDING	PROCUREMENT SITE (CIS)	FY INITIAL AWARD	REGION OR DISTRICT	PROGRAM ELEMENT	SERIAL NUMBER	SUFFIX

Using the above DAFIS number, an example of a quotation PIN would be:

DTCG23-98-Q-HPE123

Or the purchase order PIIN would be

DTCG23-98-P-HPE123

Example:

DTCG23-98-P-HPE123

Supplementary Numbers

Amendments

Amendments to quotation documents shall be numbered sequentially with a four position alphanumeric serial number. The first position shall always be **A**, and the last three positions shall be numbered sequentially beginning with 001.

Example: A001

Modifications

Modifications to orders and agreements shall be numbered sequentially with a four position numeric serial number beginning with 0001.

For those contracting activities **not** subject to invoice payment by the Coast Guard Finance Center, delivery orders under Coast Guard contracts and agreements shall use a seven position numeric serial number.

The first two positions shall be the last two digits of the fiscal year when the order is placed.

Example: 1998 = 98

The last four positions shall be numbered sequentially each fiscal year beginning with 0001.

Example: 98-0001 (first delivery order in FY 98)

The cognizant contracting officer for the basic contract may need to be consulted for numbering and other requirements before issuance of an order.

For those contracting activities that **are** subject to DAFIS accounting procedures and to invoice payment by the Coast Guard Finance Center, the supplementary PIIN for orders under Coast Guard contracts and agreements must consist of fifteen positions.

The supplementary PIIN shall include an **F** in position nine and shall include the six alphanumeric characters extracted from the DAFIS procurement request number, beginning with the region or district and ending with the serial number.

Example: DTCG23-98-F-HPE123

If you have any instrument documents not listed in paragraph above, review COMDTINST M4200.19 (series) for possible PIIN applications.

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SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS <i>OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24 & 30</i>				1. REQUISITION NUMBER 23988		PAGE 1 OF 5	
2. CONTRACT NO.		3. AWARD/EFFECTIVE DATE 2/18/98		4. ORDER NUMBER DTCG89-98-P-QRF123		5. SOLICITATION NUMBER	
7. FOR SOLICITATION INFORMATION CALL:		a. NAME				b. TELEPHONE NUMBER <i>(No collect calls)</i>	
9. ISSUED BY Commander (fcp-4) Maintenance and Logistics Command Building 54-A Coast Guard Island Alameda, CA 94501-5100		CODE		10. THIS ACQUISITION IS <input type="checkbox"/> UNRESTRICTED <input checked="" type="checkbox"/> SET ASIDE: % FOR <input checked="" type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> HUBZONE SMALL BUSINESS <input type="checkbox"/> 8(A) NAICS: SIZE STANDARD:		11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) 13b. RATING	
15. DELIVER TO Commander (tb), USCG MLCPAC Bldg. 54, CG Island Alameda, CA 94501-5100		CODE		16. ADMINISTERED BY See block 9		CODE	
17a. CONTRACTOR/OFFEROR Able Generator Co. 4522 Power Highway Paducah, KY 45688 TELEPHONE NO.		CODE		FACILITY CODE		18a. PAYMENT WILL BE MADE BY Commercial Invoices P.O. Box 4115 Chesapeake, VA 23327-4115 (800) 564-5504	
<input type="checkbox"/> 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER		18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM					
19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES			21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
0001	Generator, 20 amp, P/N 0004327			10	ea	\$223.50	\$2,235.00
0002	Spare parts kit for generator, P/N 0004328			10	ea	\$55.00	\$550.00
							\$0.00
							\$0.00
(Use Reverse and/or Attach Additional Sheets as Necessary)							
25. ACCOUNTING AND APPROPRIATION DATA 2/Q/801/175/30/0/WF/63122/2617/4123.80						26. TOTAL AWARD AMOUNT <i>(For Govt. Use Only)</i> \$2,785.00	
<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA						<input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.	
<input checked="" type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA						<input type="checkbox"/> ARE <input checked="" type="checkbox"/> ARE NOT ATTACHED.	
<input type="checkbox"/> 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.					<input type="checkbox"/> 29. AWARD OF CONTRACT: REFERENCE _____ OFFER DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5). INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS: _____		
30a. SIGNATURE OF OFFEROR/CONTRACTOR				31a. UNITED STATES OF AMERICA <i>(SIGNATURE OF CONTRACTING OFFICER)</i>			
30b. NAME AND TITLE OF SIGNER (Type or print)		30c. DATE SIGNED		31b. NAME OF CONTRACTING OFFICER (Type or print)		31c. DATE SIGNED	

Enclosure (29) to COMDTINST 4200.13F

AUTHORIZED FOR LOCAL REPRODUCTION SEE REVERSE FOR OMB CONTROL **STANDARD FORM 1449** (10-95)

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Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (VRS), Office of Federal Acquisition Policy, GSA, Washington, DC 20405.

OMB No.: 9000-0136

Expires: 09/30/98

SF 1449 SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS

The following clause is incorporated herein by reference with the same force and effect as though set forth in full text:

FAR 52.212-4, Contract Terms and Conditions - Commercial Items (March 2001)

The following clause is included and appears in full text. FAR clauses with an "X" indicate they are applicable to this order.

FAR 52.212-5, Contract Terms and Conditions Required to Implement Statutes or Executive Orders - Commercial Items (May 2001)

(a) The Contractor agrees to comply with the following FAR clauses, which are incorporated in this contract by reference, to implement provisions of law or executive orders applicable to acquisition of commercial items:

- 1 . 52.222-3, Convict Labor, (E.O. 11755); and
- 2 . 52.233-3, Protest after Award (31 U.S.C. 3553)

(b) The Contractor agrees to comply with the FAR clauses in this paragraph (b) which the contracting officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

_____ (1) 52.203-6, Restrictions on Subcontractor Sales to the Government, with Alternate I (41 U.S.C. 253g and 10 U.S.C. 2402).

_____ (2) 52.219-3, Notice of Total HUBZone Small Business Set Aside (Jan 1999).

_____ (3) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (Jan 1999) (if the offeror elects to waive the preference, it shall so indicate in its offer).

_____ (4) 52.219-5, Very Small Business Set-Aside (Pub. L. 103-403, section 304, Small Business Reauthorization and Amendments Act of 1994).

SF 1449 SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS

_____ (5) 52.219-8, Utilization of Small Business Concerns (15 U.S.C. Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (15 U.S.C. 637(d)(2) and (3)).

_____ (6) 52.219-9, Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (15 U.S.C. 637(d)(4)).

_____ (7) 52.219-14, Limitation on Subcontracting (15 U.S.C. 637(a)(14)).

_____ (8) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323)(if the offeror elects to waive the adjustment, it shall so indicate in its offer).

_____ (9) 52.219-25, Small Disadvantaged Business Participation Program – Disadvantaged Business Status and Reporting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

_____ (10) 52.219-26, Small Disadvantaged Business Participation Program – Incentive Subcontracting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

_____ (11) 52.222.-21, Prohibition of Segregated Facilities (Feb 1999)

_____ (12) 52.222.-26, Equal Opportunity (E.O. 11246)

_____ (13) 52.222-35, Affirmative Action for Special Disabled and Vietnam Era Veterans (38 U.S.C. 4212)

 X (14) 52.222-36, Affirmative Action for Handicapped Workers (29 U.S.C. 793).

_____ (15) 52.222-37, Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212)

_____ (16) 52.222-19, Child Labor – Cooperation with Authorities and Remedies (E.O. 13126)

_____ (17) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products (42 U.S.C. 6962(c)(3)(A)(ii)).

(ii) Alternate I of 52.223-9 (42 U.S.C. 6962(i)(2)(C)).

_____ (18) 52.225-1, Buy American Act – Balance of Payments Program – Supplies (41 U.S.C. 10a – 10d).

_____ (19) 52.225-3, Buy American Act – North American Free Trade Agreement – Israeli Trade Act, Balance of Payments Program (41 U.S.C. 10a – 10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note).

SF 1449 SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS

____ (20) 52.225-5, Trade Agreements (19 U.S.C. 2501, et seq, 19 U.S.C. 3301 note).

____ (21) 52.225-13, Restriction on Certain Foreign Purchases (E.O. 12722, 12724, 13059, 13057, 13121, and 13129) .

____ (22) 52.225-15, Sanctioned European Union Country End Products (E.O. 12849).

____ (23) 52.225-16, Sanctioned European Union Country Services (E.O. 12849).

____ (24) 52.232-33, Payment by Electronic Funds Transfer – Central Contractor Registration (31 U.S.C. 3332).

____ (25) 52.232-34, Payment by Electronic Funds Transfer – Other than Central Contractor Registration (31 U.S.C. 3332).

____ (26) 52.232-36, Payment by Third Party (31 U.S.C. 3332).

____ (27) 52.239-1, Privacy or Security Safeguards (5 U.S.C. 552a).

____ (28) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241).

(c) The Contractor agrees to comply with the FAR clauses in this paragraph (c), applicable to commercial services, which the Contracting Officer has indicated as being incorporated into this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

____ (1) 52.222-42, Service Contract Act of 1965, As Amended (41 U.S.C. 351, et seq.)

____ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (29 U.S.C. 206 and 41 U.S.C. 351, et seq.)

____ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act - Price Adjustment (Multiple Year and Option Contracts) (29 U.S.C. 206 and 41 U.S.C. 351, et. seq.)

____ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act - Price Adjustment (29 U.S.C. 206 and 41 U.S.C. 351, et seq.)

____ (5) 52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement (CBA) (42 U.S.C. 352, et seq.).

SF 1449 SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS

(d) Comptroller General Examination of Record. The Contractor agrees to comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records - Negotiation.

1. The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.
2. The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.
3. As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) or (d) of this clause, the Contractor is not required to include any FAR clause, other than those listed below (and as may be required by an addenda to this paragraph to establish the reasonableness of prices under Part 15), in a subcontract for commercial items or commercial components –

1. 52.222-26, Equal Opportunity (E.O. 11246);
2. 52.222-35, Affirmative Action for Special Disabled and Vietnam Era Veterans (38 U.S.C. 2012(a));
3. 52.222-36, Affirmative Action for Handicapped Workers (29 U.S.C. 793); and
4. 52.247-64, Preference for Privately-Owned U.S.-Flagged Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

Enclosure (29) to COMDTINST 4200.13F

SF 1449 SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS

- 5 . 52.222-41, Service Contract Act of 1965, As Amended (41 U.S.C. 351, et seq.).

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE		PAGE 1 OF 1 PAGES	
2. AMENDMENT/MODIFICATION NO. 0001		3. EFFECTIVE DATE 11/30/97		4. REQUISITION/PURCHASE REQ. NO. 23-98-8986PE030		5. PROJECT NO. (If applicable)	
6. ISSUED BY Commander (fcp-3) USCG MLCPAC Bldg 54A Alameda, CA 94501-5100		CODE		7. ADMINISTERED BY (If other than Item 6) See Block 6		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) The Only Company 1357 Cherry Hill Lane Anywhere, CA 99902				()		9A. AMENDMENT OF SOLICITATION NO.	
						9B. DATED (SEE ITEM 11)	
				X		10A. MODIFICATION OF CONTRACT/ORDER NO. DTCG89-98-P-6PE030	
						10B. DATED (SEE ITEM 13) 10/15/97	
CODE		FACILITY CODE					

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

()	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
X	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☒ is not, ☐ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

1. Change the purchase order, listed in block 10a above as follows:

- a. Change the part number of line item one to read 12453-MOD1.
- b. Change the part number of line item two to read 545-MOD2.

2. The above changes are executed at no cost to either party.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or Print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) I.Q. Supply, CWO3, USCG	
15B. CONTRACTOR/OFFEROR _____ (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)	16C. DATE SIGNED

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE		PAGE 1 OF 1		
2. AMENDMENT/MODIFICATION NO. 0001		3. EFFECTIVE DATE 11/30/97		4. REQUISITION/PURCHASE REQ. NO. 23-98-8986PE030		5. PROJECT NO. (If applicable)	
6. ISSUED BY Commander (fcp-3) USCG MLCFAC Bldg 54A Alameda, CA 94501-5100		CODE		7. ADMINISTERED BY (If other than Item 6) See Block 6		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) The Only Company 1357 Cherry Hill Lane Anywhere, CA 99902				9A. AMENDMENT OF SOLICITATION NO.			
				9B. DATED (SEE ITEM 11)			
				10A. MODIFICATION OF CONTRACT/ORDER NO. DTCG89-98-P-6PE030			
				10B. DATED (SEE ITEM 13) 10/15/97			
CODE		FACILITY CODE					

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

2/P/801/124/30/0/PE/12345/2200

Increase: \$50.00

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

<input checked="" type="checkbox"/>	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input checked="" type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Mutual agreement of the parties and FAR 52.243-1, Changes
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

1. Modify the purchase order, listed in block 10a, as previously discussed with your John Williams. New delivery date shall be within 1 week of the effective date of this order.

2. Increase the total amount of this purchase order by \$50.00 to reflect an increase in freight costs.

In consideration for the contract modification and \$50.00 equitable adjustment agreed to herein, the Contractor hereby releases the Government from any and all liability under this contract, and from further equitable adjustment, resulting from any and all circumstances related to the instant adjustment described herein.

Old Total: \$235.00

Increase: \$50.00

Noew Total: \$285.00

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or Print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) I.Q. Supply, CW03, USCG	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY (Signature of Contracting Officer)	16C. DATE SIGNED

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE		PAGE 1 OF 1	
2. AMENDMENT/MODIFICATION NO. 0001		3. EFFECTIVE DATE 11/30/97		4. REQUISITION/PURCHASE REQ. NO. 23-98-8986PE030		5. PROJECT NO. (If applicable)	
6. ISSUED BY Commander (fcp-3) USCG MLCPAC Bldg 54A Alameda, CA 94501-5100		CODE		7. ADMINISTERED BY (If other than Item 6) See Block 6		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) The Only Company 1357 Cherry Hill Lane Anywhere, CA 99902				()		9A. AMENDMENT OF SOLICITATION NO.	
						9B. DATED (SEE ITEM 11)	
				X		10A. MODIFICATION OF CONTRACT/ORDER NO. DTCG89-98-P-6PE030	
						10B. DATED (SEE ITEM 13) 10/15/97	
CODE		FACILITY CODE					

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

2/P/801/124/30/0/PE/12345/2200

Decrease \$500.00

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

()	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) FAR Clause 52.212-4(m) Termination for Cause

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

1. Cancel the purchase order listed in block 10a above in it's entirety and at no cost to either party.

2. Decrease the total amount of this purchase order by \$500.00.

Old Total: \$500.00
Decrease: \$500.00
New Total: \$ 0.00

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or Print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) I.Q. Supply, CWO3, USCG	
15B. CONTRACTOR/OFFEROR _____ (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)	16C. DATE SIGNED

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